



# Manpower Update Report

## Beauty Care and Hairdressing Industry

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# 2019

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Beauty Care and Hairdressing  
Training Board

# ACKNOWLEDGEMENT

The Beauty Care and Hairdressing Training Board (BHTB) would like to express thanks and gratitude to industry experts who participated as members of the focus group and contributed their time and offered valuable views on the manpower situation in the discussion meeting of the focus group for the beauty care and hairdressing industries. The opinions they made have formed an integral part of this update report.

## Contents

<b>Introduction</b>	<b>1 - 2</b>
Background	
Objectives	
<b>Methodology</b>	<b>3 - 4</b>
Overview	
Focus Group meeting	
Desk Research	
Data Analysis	
Limitations	
<b>Findings</b>	<b>5 - 13</b>
Factors Affecting the Development of the Industry	
Further Manpower Demand	
Training Needs	
Recruitment Challenges	
<b>Recommendations</b>	<b>14 - 16</b>
Measures to Meet the Training Needs	
Suggestions to Ease the Problem of Manpower Shortage	

# Introduction

## Background

The Beauty Care and Hairdressing Training Board (BHTB) of the Vocational Training Council (VTC) was appointed by the Government of Hong Kong Special Administrative Region to be responsible for, among other duties, determining the manpower situation and training needs of the industries.

A new approach for conducting manpower survey is adopted in 2017 to enhance the effectiveness and better reflect the dynamic of the manpower situation. The new approach is to conduct full manpower survey for each

industry once every four years, supplemented by periodic information updates through focus group meeting and desk research.

The BHTB completed its last full manpower survey in 2016. Two manpower update reports will be prepared during the period between 2018 and 2019. The BHTB conducted a focus group meeting of the beauty care and hairdressing industries on 5 July 2018 to collect views about the latest manpower situation and training needs from industry practitioners. Desk research had also been performed to

capture recruitment information including job vacancies of principal jobs, qualification requirements and salary offered in the industries for the period from the 2nd quarter of 2017 to the 3rd quarter of 2018.

This is the first manpower update report of the beauty care and hairdressing (BH) industries which mainly covers the findings obtained from the focus group meetings, supplemented by the information acquired from desk research for reference purpose.

## Objectives

The objectives of the manpower update report are as follows:

- (i) To study the latest trends and development;
- (ii) To explore the job market and training needs;
- (iii) To analyse reasons for recruitment difficulties;
- (iv) To identify the job requirements; and
- (v) To review the market remuneration package.

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# Methodology

## Overview

To collect a holistic manpower information of the beauty care and hairdressing industries, a new approach is adopted by the BHTB through conducting full manpower survey, supplemented by periodic update through focus group meetings and desk research. For the purpose of this update report, only focus group discussions and desk research will be covered.

## Focus Group Meeting

The focus group meeting was intended to collect experts' opinions on the latest trend and development of the industries' manpower, training needs and recruitment challenges, etc. The focus group members are representatives from two sectors of the beauty care and hairdressing industries, including:

### Beauty care sector

- (i) Beauty/Health Centre and Spa,
- (ii) Cosmetics Product Company – Retails
- (iii) Cosmetics Product Company –  
Wholesales, Import and Export

### Hairdressing sector

- (iv) Hairdressing salon

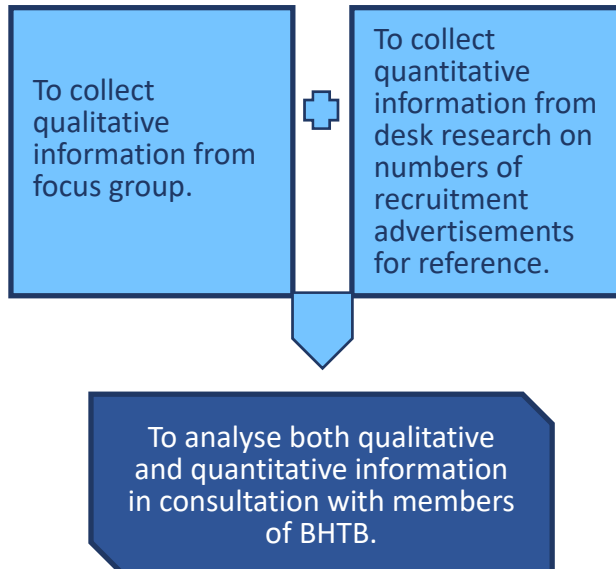
A 1.5-hour focus group meeting was conducted on 5 July 2018. 9 industry representatives had participated in the discussion. The meeting was moderated by an experienced moderator of a consultancy firm, who initiated the discussion with general questions and probed into more specific context to collect in-depth information on relevant topics in the discussion guide. The discussion at the meeting was transcribed to facilitate analysis.

## Desk Research

Manpower information covering the period between October 2016 and September 2017 was collected through desk research by quarter. The information includes the number of job advertisements, required competency, qualification and experience, market remuneration, etc. An integrated database was being developed to capture the relevant recruitment data from the major online recruitment portals. Over 300,000 recruitment records of various industries were collected during the research period. Mapping was made with the list of related companies under the Hong Kong Standard Industrial Classification for removal of any duplicated records.

# Data Analysis

The analysis consists mainly of the following three steps:



supplementary to the findings of focus group meeting.

For the vacancy information among individual sectors, hairdressing salons is relatively less relying on online platform for recruitments. Therefore, the number of job advertisements in the hairdressing industry collected from desk research cannot truly reflect its entire situation of job vacancies.

## Limitations

As this is not a comprehensive manpower survey, the findings and recommendations of the focus group meeting are more qualitative in nature and the report mainly focuses on the manpower trend.

In addition, the information of job advertisements was collected from major recruitment websites and the Labour Department, while other channels such as head hunting for managerial positions or referral and recruitment via LinkedIn, the social media recruitment platform, were not covered. Since the data collected is a snapshot of a particular period without reference to any historical data, this can only serve as reference information

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# Findings

## Factor Affecting the Development of Beauty Care and Hairdressing Industries

The BHTB had identified several factors affecting the development of the industries for discussion at the focus group with a view to understand how these factors contributed to the recent development or changes in the industries.

Beauty Care and Hairdressing industries are one of the major services industries in Hong Kong. Due to its labour-intensive job nature to cater for the daily needs of people's livelihood, its works could hardly be replaced by technology. Apart from the saturated market in the wholesales sector in cosmetics, other sectors in beauty and hairdressing has in general a steady growth, while the persisting problems such as rental increase and manpower shortage might become an obstacle hindering the overall development of the industries. Nevertheless, in order to catch up closely the pace of the development of the society as well as of information technology, so as to cope with the Government's future policies, the industries gear up from time to time to meet the possible challenges and opportunities ahead.

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### Technology

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#### Adopt big data for marketing

- ◆ With the rapid development of e-commerce, the beauty care and hairdressing industries had been adjusting the models of business operations as well as marketing and promotions in order to remain competitive. For instance, the use of social media (e.g. Facebook, Instagram, WhatsApp, etc.) has become a trend and an important marketing platform. Regardless of whether it is a product, renowned brand or other service in beauty care and hairdressing, the industries will use online promotions to publicise and share their information (including hairstylists to upload their pieces of hairdressing works for their clients), through which to enhance their interactions and communications with customers. Furthermore, these type of online promotions and interactive channels can help attract more customers to visit and shop at physical stores, which can also help their business development in the long run.
- ◆ As e-commerce has also generated a large volume of data, it will assist in

expanding the business growth. In other words, with the aid of big data analysis, the industries might be able to understand the personal preferences of customers based on their history of purchases (including date, time, frequency, amount, purchasing pattern etc.). Moreover, the industries can also promote their business to customers by posting advertisements online or through interactive media to enhance shoppers' experience. This can also drive them to repeat their purchases.

- ◆ With the common use of smart phones, retailers make use of mobile applications and associated digital tools (e.g. QR code) extensively so that customers can have better knowledge of their products or services. Through scanning QR code adjacent to its products or services, customers will be able to access various information relating to its products and services (including texts, graphics and retailer's website etc.). This arrangement not only enhances interactions with customers, it also helps alleviate the manpower pressure of physical stores.

#### Improve the modes of management and operation

- ◆ From the perspectives of management and business operation, information technology systems (such as online booking system, HR management information system, and e-learning platform, etc.) are used in the industries (especially for medium and large sized enterprise) so as to assist in monitoring and managing day-to-day operations, and

streamlining its work procedures. Although information technology might help improve daily operations, the beauty care industry still relies on manpower to support the provisions of beauty treatments services. Hence, there is still a high manpower demand and the beauty care industry still faces the shortage problem of frontline staff.

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## Public Policy and Regulations

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### Change in business environment of beauty care industry caused by relevant regulations

- ◆ With the rapid development of advanced technology, the beauty care industry has introduced a variety of high-tech equipment as well as high-end beauty services (part of them are categorised as 'medical beauty treatments'). Customers have the growing awareness of safety and health, as well as its potential risks and regulatory measures as a result of these medical beauty treatments services. Moreover, owing to a number of adverse medical incidents occurred at different levels of severity, the Government intends to tighten the regulatory mechanism and propose legislations in order to enhance public health and safety. Regulations that may be involved in the beauty care industry are listed as below:



Type I: Industry related

<b>Ordinance</b>	<b>Key highlights</b>
Trade Descriptions Ordinance	Targets against fraudulent descriptions of goods and services, and numerous trade malpractices
Mandatory Cooling-off period	Targets at prepaid beauty services
Enhancing regulation of person-to-person telemarketing calls	Targets at telemarketing calls for sales of products or services through direct (person-to-person) communication

Type II: Business practices related

<b>Ordinance</b>	<b>Key highlights</b>
Enhancement proposal - Ordinance of Regulation of Medical Devices	The use of medical devices for cosmetics purpose and its listing system
Pharmacy and Poisons Ordinance	Application of local anaesthetic during the process of tattooing
The Private Healthcare Facilities Bill	Regulation of licensed operators of day procedure centres/clinics (only applicable to collaborations between beauty salons and medical practitioners)
Medical Registration	Whether any medical procedures

<b>Ordinance</b>	<b>Key highlights</b>
Ordinance	are involved in the beauty services
Chinese Medicine Ordinance	Whether any beauty services violating the Ordinance
Massage Establishments Ordinance	Regulation and licensing arrangement for manipulative therapy establishments (exemption) for offering manipulative therapy treatments in beauty / hairdressing salon

- ◆ In view of the above ordinances are still under discussion and consultation, it has posed uncertainty for future business development of the beauty care industry.

New infrastructural projects leading to the growth in the retail sector

- ◆ With the opening of Guangzhou-Shenzhen-Hong Kong Express Rail Link and Hong Kong-Zhuhai-Macau Bridge, the retail sector anticipates to attract more Mainland's visitors to consume in Hong Kong, which will have a positive impact to the sector. On the other hand, in view of the current situation of manpower shortage, the retail sector raises their concern of insufficient manpower to cope with additional market demand in the future.

# Future Manpower Demand

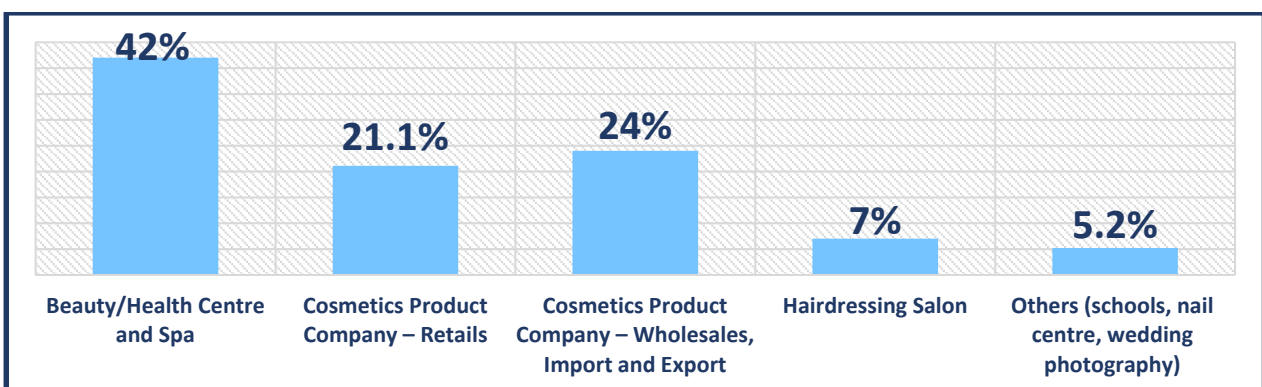
In the 2016 manpower survey of Beauty Care, Cosmetics and Hairdressing (BH) industry, the survey indicated that employers were cautious in the forecast of manpower demand in 2017 but expected that the manpower situation would remain stable. The chart below shows the vacancy situation of the industry in 2016.

**Number of job vacancies in the 2016 manpower survey of the BH industry (by sector)**



In view of the keen demand for beauty care and hairdressing services, the BHTB conducted the desk research during the period from the second quarter of 2017 to the first quarter of 2018 to collect the jobs advertisements in the beauty care and hairdressing (BH) industries. Among different sectors, it recorded the highest number of job advertisements in the Beauty Care / Health Centres and Spa which accounted for 42% of the advertisements. The following chart shows the percentages of job advertisements from desk research.

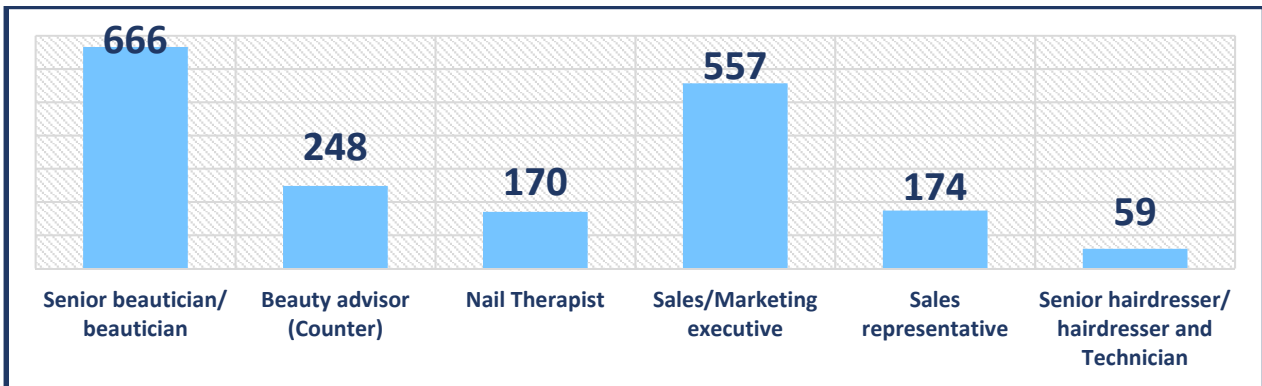
**Number of job advertisements of the BH industries by percentage for the period between the second quarter of 2017 and the first quarter of 2018 (by sector) (including full time and part time jobs advertisements)**



As hairdressing salons seldom use online platform for recruitments, the numbers of job advertisements collected from desk research recorded is relatively less when compared with those from the 2016 manpower survey report of BH industry. Major occupations

recruited by employers and its number of job advertisements are listed as below:

**No. of job advertisements for major occupations in the BH industries  
for the period between the second quarter of 2017 and the first quarter of 2018**



With reference to the above mentioned trend and development of the industries, views of the focus group on the anticipated changes in manpower demand of various sectors were collected.

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## Beauty Care industry

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### Beauty Care / Health Centres and Spa

- ◆ It is observed that the market share of traditional beauty treatment services have been gradually replaced by high-end beauty treatment services (i.e. medical beauty treatments services) in recent years. On one hand, the substantial high rental cost makes the beauty centres turn to introduce various equipment-aided services and products so as to increase the treatments' prices. On the other hand, there is an increasing number of customers who tend to choose medical beauty treatments services aid by advanced technology that can produce speedy and effective results to improve the quality of skin. Although these equipment-aided services can shorten the treatments' duration, manpower is still needed to

operate these beauty equipment. Therefore, there will be keen manpower demand for frontline staff such as beauticians and beauty consultants etc.

### Products – retails

- ◆ The growth of retails sector in cosmetics products remains stable. By making use of technology applications (such as mobile apps and relating digital marketing tools), customers can increase their awareness of respective products and services, thereby alleviating manpower pressure of the stores. It is therefore expected that there will be some increase in the manpower demand (such as beauty advisors (counters)) in this retail sector.

## Products – wholesales

- ◆ Although the wholesales market in cosmetics products has become saturated in recent years, apart from practitioners (especially for sales executives) who have equipped with the skills in customer services and marketing strategies for business to business, they should also develop multi-tasking skills, such as skills in strategies for sales of luxury goods, marketing and promotion, applications of different social media tools for business coordination, etc. so as to stay competitive.

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## **Hairdressing industry**

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### Hairdressing salons

- ◆ Compared with the beauty care industry, the nature of works in hairdressing is even more labour-intensive and cannot be replaced by technology. The problem of acute manpower shortage persists. In view of insufficient manpower (especially for hairdressing assistants) to support customers' demands in different hairdressing services in the long run, it will hinder the overall development of the sector. Nevertheless, there is still a demand for hairdressers and technicians.

## Barbering shops

- ◆ Under the global influence in addition to a growing trend for men to focus more on their personal appearances, the demand for traditional barbering services (including traditional wet shaving to skin fades, beard trimming, facial massage treatment and ear picking as well as using electric clipper for haircut) are increasing. This group of customers have relatively high purchasing power. These barbering shops are mainly medium and high-end category. As the skills in barbering is different from those in traditional hairdressing services, it is expected that there is still a demand for barbers to support the services.

In general, the beauty care and hairdressing industries faces the problem of acute manpower shortage and high turnover of frontline line staff. Although the industries have tried all means to retain talents and attract new blood, the situation still cannot be improved.

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# Training Needs

Based on the afore-mentioned trend and development of the industries as well as the expected manpower changes, the focus group has identified the following skill sets as required by the industries.

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## Information Technology Skills

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- ◆ Owing to the growing application of big data and technology, manpower with relevant expertise in conducting data analysis and operating computerised system will be required by the industries. It is recommended that the Government should take a leading role to further promote the application of big data. In addition to providing financial supports to enterprises, it is suggested that a supporting platform should be developed for sharing and exchanging the experiences in application of big data and keeping abreast of the latest development of the industries.

## Product knowledge and equipment operation skills

- ◆ With the increasing demand of different high-tech beauty services and application of advanced technology, suitable training should be provided to enhance relevant knowledge for frontline staff. Apart from relevant trade specific skills to cater for the latest development of the sector, practitioners should also enhance their awareness of safety, professional conducts as well as self-regulation so as to raise the service quality of the industries.

- ◆ As customers have increasing expectations of the quality of beauty services and products, it is expected that frontline staff should also be well equipped with good products knowledge to handle enquires and demands from customers.

## Strategic brand marketing skills

- ◆ For the wholesales sector in cosmetics products, even though practitioners are competent in formulating marketing strategies (including online promotion and content marketing), they are lack of skills in sales and marketing of luxury goods. To remain competitive, relevant training should be provided for practitioners to meet the market development. This helps the sector to make suitable adjustments in respect of the pace and direction of the development of the sector

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# Recruitment Challenges

In general, the beauty care and hairdressing industries considers that the manpower situation cannot meet the current and future market demand. They have also encountered challenges during recruitments as bellow:

## Social recognition of the industry

- ◆ Despite the Government introduced the Hong Kong Qualifications Frameworks and provided different recognised qualifications (including Recognition of Prior Learning Mechanism) for the beauty care and hairdressing industries, the public awareness of the above mechanism is still inadequate. The social and professional status of practitioners who have obtained relevant recognised qualifications are still not widely recognised. This will discourage young generation from joining the industries.

## Public perception of the industries

- ◆ The public, in general, considers that most of the works involved in the beauty care and hairdressing industries are mainly at craftsman level, its working nature is comparatively obnoxious when compared with those of other industries. These have adversely affected the desire of young people from entering the industries. Moreover, the negative image will affect the parents' willingness to let their children to develop in the industries.

## Uncertainty in the prospect of the

## industries

- ◆ Young generation is lack of understanding about the industry developments such as prospect, career articulation pathway and personal career development etc. This is considered as an important reason for them not joining the industries.

## Misconception of jobs and expectations

- ◆ The industries consider that a number of beauty and hairdressing programmes offered by the market failed to provide a clear picture about the nature of industries as well as its work environments. Besides, the young generation has the misconception about the job nature (including knowledge and application of skills they had learnt and its occupations) and exact work requirements. This makes many new entrants feel frustrated and disappointed, and quit the jobs within a short period, which results in a high turnover.

## Variety of career choices

- ◆ Another factor that causes challenge in recruitments is that young people who have completed the Hong Kong Diploma of Secondary Education Examination can either choose to further study or to take different

types of training programmes offered by the market. This provides a variety of career options for them to decide and therefore beauty care and hairdressing industries will not be their first choice.

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# RECOMMENDATIONS

## Measures to Meet the Training Needs

To meet the future development of the beauty care and hairdressing industries, it is considered imperative for the government, education institutions and employers to provide suitable training opportunities to employees or students in the following areas:

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### Government

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The Government should take a leading role in reshaping the image of the industry and strengthening professional status of practitioners so as to attract young people to join the industry, including:

- ◆ To encourage different education institutions to offer recognised diploma and degree programmes to nurture professionals.
- ◆ To organise local and international skills competitions and provide financial supports to enterprises for their participations so as to upgrade the image of the industry.

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### Education Institutions

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- ◆ With the rapid development of the industries, education institution should strengthen industry collaboration to design suitable training programmes with reference to the actual needs and works requirements of the industries. Regular reviews of existing curriculums should also be conducted with a view to incorporating the latest

knowledge and knowhow as appropriate.

- ◆ With an increasing application of big data, relevant training on data analysis should be provided.
- ◆ Training programmes in digital marketing and sales strategies for luxury products should be offered.
- ◆ More job placement opportunities and practical training should be provided to students so that they can have a better understanding of the work requirements and their expectation upon graduation.
- ◆ New technology should be applied in teaching in order to arouse the learning interests and sense of participation of young people. It is hoped that this can increase the possibilities for them to join the industries.
- ◆ Industry representatives should be invited to introduce the latest developments of industries so that instructors/ secondary school teachers/ parents can have better understanding of the development and encourage students to join the



beauty care and hairdressing industries.

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## Employers

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- ◆ Employers should encourage and sponsor their employees to further study relating to respective job areas for lifelong learning.
  - ◆ In view of talent shortage, employers should take part in the internship programmes to provide different internship opportunities so that the students can have better understanding of job nature and exact work requirements.
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## Employees

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- ◆ Employees should enhance their competitiveness by taking the initiative to upgrade their learning relating to the latest knowledge and skills (including product knowledge, equipment operation, digital marketing and promotion as well as sales strategies, etc.).
- ◆ Employees are also encouraged to make use of subsidies provided by the different funding schemes of Government such as the Recognition of Prior Learning, the Skills Upgrading Scheme Plus, etc., for lifelong learning and career development.

## Suggestions to Ease the Problem of Manpower Shortage

To ease the problem of manpower shortage, the industries has made the following suggestions:

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### Government

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#### Enhancement of public perception and recognition to the industries

- ◆ To establish/recognise the professional qualifications and the legitimate/reasonable scope of works of practitioners.
- ◆ To help improve the social status and recognition of the practitioners in beauty care and hairdressing. For example, promotional activities, in which including the prospects, career articulation pathway as well as proper information etc. should be organised.
- ◆ To enhance promotion of the Hong Kong Qualifications Framework to arouse the awareness of the general public and stakeholders so as to strengthen and raise the public's recognition of its qualifications.

#### Make reference to the overseas models of Working Holiday arrangement

- ◆ By making reference to the Working Holiday arrangements from other countries, working opportunities

should be offered for young people participating in the Hong Kong Working Holiday Scheme. This not only enables participants to learn the latest development of other industries (including the development of the beauty care and hairdressing industries and exchange sharing), it also helps alleviate the pressure of manpower shortage if they work in the beauty care and hairdressing industries for the time being.

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### Employers

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#### Engagements of different personnel

- ◆ To further engage different personnel to join the industries, employers should consider recruit middle-aged people group, people who change their fields or housewives, etc., by providing flexible working arrangements so as to fill the positions with long term manpower shortage.
- ◆ To provide better working environments to retain talents as well as to help improve the image of the industries.