



This part of the qualification requires you to have a sound understanding of the structure and importance of the UK hair and beauty sector.

**Subject: Beauty Therapy**  
**Topic – LO1 B - the importance of the hair and beauty sector**

### Key Vocabulary

- Economy
- Gross Domestic Product
- Employment
- Consumer Choice
  - Support
  - Contribution

## What does GDP stand for?

Gross Domestic Product.



## What is Gross Domestic Product?

Gross Domestic Product is a measure of money spent within an economy over a period of time, this includes every penny spent from food to clothing, cars and fuel to hair and beauty treatments or services.

**How does the Hair and Beauty Industry benefit GDP? Why is our industry important?**

- **Provides employment/job opportunity** – By creating employment opportunity we are creating more tax payers, tax payers money is fed back to the government and this money is put back in to our economy.
- **Increased spending** - By creating more jobs, we are also encouraging spending, there will be greater opportunity to spend on hair and beauty products and services.



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## How does the Hair and Beauty Industry benefit GDP? Why is our industry important



- **Support to other sectors and industries** – When setting up in the hair and beauty industry it requires help from other industries, for example a hair and beauty salon will require sinks to wash hair in or collect water from for the pedicure bowl.
- In this case it will take a ‘plumber’ to come and fix the water supply to the sinks, the sinks will need to be purchased from a sink supplier and we are going to need shampoos, conditioners and pedicure products to carryout these treatments.
- Therefore in just that short example you can see we are supporting other industries to enable us to function in business.
- The plumber for the sinks, the sink supplier for the sink, manufacturers, distributors and suppliers for the products we required to do the treatments.
- **Greater consumer choice of products and services** – The hair and beauty industry offers a wide consumer choice due to the demand on products and services. This means instead of having one foundation to chose from there are many to select from.

