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eSalon's Birthday Present: \$30 Million

By FAYE BROOKMAN

Online hair-coloring specialist eSalon turned five years old last week, as the company announced it is on track to hit \$30 million in sales by the end of 2015.

Founded in 2010 by e-commerce entrepreneur Francisco Gimenez, eSalon provides individually blended hair color for clients based on a personal profile. Questions used to formulate the shade include questions about percentage of gray, skin tone and eye color. “Before eSalon, women had two choices. They could go to a salon or they could sort through box after box of at-home color, without an assurance it would turn out correct. We were able to merge the convenience of a box color with the results of the salon without the expense,” Gimenez asserted.

Custom formulations are created and sent with personalized labels delivered in days. Over the past five years Gimenez said the company has tweaked formulas and software. “On the product side, we thickened the consistency of the peroxide within our first year to improve the application process. We also realized we had to upgrade some of our kit components to enhance the client experience.” An example: instead of one pair of gloves, the company saw the need to offer two pairs of latex-free gloves.

From a software angle, Gimenez said there are “continuous” improvements to algorithms to improve shades. “We do a lot of data mining and are able to leverage this information to anticipate the needs of our clients,” he said.

Beyond hair color, eSalon has branched into hair care, styling and brow products — these ancillary items comprise 18 percent of overall sales. Earlier this year, The Match-Up was launched to further improve the selection of hair shades. It is a subscription service offering personalized product recommendations from experts merging expertise and algorithms.

“Since our core business is personalized color, we find that products that help maintain and enhance color are among our bestsellers,” Gimenez said. These include Tinted Love Color Enhancing Treatment, which gives a temporary boost of color and shine, plus Color Kiss Root Touch Up, a wand to conceal growth until the next color opportunity.

Future plans include international growth. “We recently expanded into the U.K. and EU with our U.K. numbers representing about 10 percent of business. We hope to roll out a localized product offering in the rest of Western Europe,” Gimenez said.

With five years under its belt, the company has a firm grip on its consumer profile — women between the ages of 40-59 with long, light-brown to black hair. She colors her hair every 6.5 weeks.

Experts predict the trend to personalized beauty will continue to gain steam. “It is one of the biggest trends we see,” confirmed Amy Marks-McGee, founder of Trendincite, a consulting firm.