

Hong Kong Health and Beauty Retail Guide

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Australian Government
Austrade



Introduction

With a wealthy population of 7 million and GDP of US\$235 billion, Hong Kong is a large, high-value and expanding market for Australian consumer products, including beauty and health products. In 2013, A\$132 million of Australian cosmetics and skin care were exported to Hong Kong.

Australian cosmetic and skin care products have an international reputation as safe, environmentally friendly and consistently high quality. Australia is also recognised as a reliable source of quality cosmetics, skin care and health products, particularly in the natural and organic skincare categories.

Hong Kong's total sales in beauty and personal care products remained strong in 2013, reaching over HK\$14.5 billion (over A\$2 billion). Last year more than 50 million visitors, including some 40 million mainland Chinese, came to shop in Hong Kong, with cosmetics and skin care items a key focus. Hong Kong is a significant market in its own right and an excellent testing ground for international products entering the region.

Austrade has launched a special video insights series to provide Australian beauty companies with first-hand perspectives from experts in the market. These videos provide advice on the latest market trends and tactics to be used in Hong Kong and China. Check it out from [Austrade website](#).

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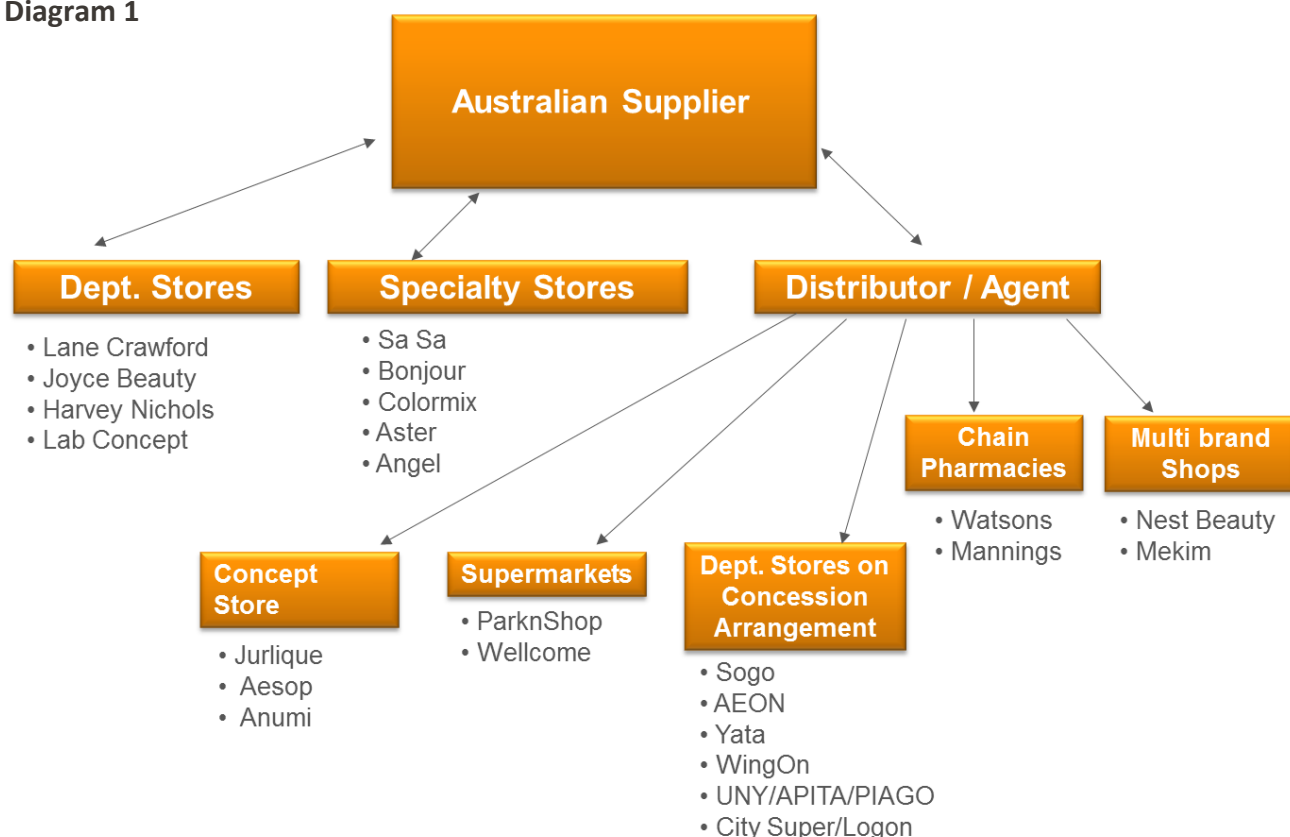
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Overview of Hong Kong Distribution Channels - Beauty and Health Products

Hong Kong has a sophisticated retail sector for the sale and distribution of health and beauty products. There are a number of different channels for Australian suppliers to access retail outlets, depending on the type of product and the target consumer sector. While some high-end department stores and specialty stores are happy to deal directly with suppliers, these are usually in smaller quantities and are focused on specific products targeted to their demographics. Larger scale retail outlets traditionally rely on distributors and agents to help source and supply products.

- **Department stores** normally stock international, high-end and branded products
- **Beauty specialty retailers** service all price ranges. These stores sell parallel-imported brand name products, but are progressively seeking new product lines to reduce their reliance on parallel imports
- **Personal care chain stores** (combined with pharmacies) account for over 400 stores mainly for middle and mass-market products. However, these chains typically demand high listing fees and 35-50 per cent retail margin
- **Supermarket chains** sell low-end/mass products, with growing tendency towards private labels
- **Brand and concept stores** offer experiential aspects to consumers.

Diagram 1



Hong Kong Health and Beauty Retail Stores

1. Specialty Stores

Sa Sa - www.sasa.com

Established in 1978 from a single 40 square feet market stall, Sa Sa International Holdings Limited is a leading cosmetics retailing group in Asia. It listed on Hong Kong Stock Exchange in 1997.

Sa Sa sells over 600 brands, covering over 17,000 skincare, fragrance, make-up, hair care and body care products, as well as health and beauty supplements. Sa Sa carries international brands as well as own-brands and exclusive products. Its regional retail network comprises over 276 "Sa Sa" multi-brand stores in Asia including Hong Kong, Macau, China, Singapore, Malaysia and Taiwan, as well as La Colline specialty stores and Suisse Programme specialty store/counters. Its e-business platform, sasa.com, also offers round-the-clock e-tailing.

In addition to selling its own-brand products, Sa Sa also operates as the sole agent for many international cosmetics brands in Asia. It is one of the largest cosmetics agents in Hong Kong, with services that include brand management, marketing, sales and distribution to 107 outlets in Hong Kong.

[Find Sa Sa](#)

In the [video insight series](#), Peter Law, Senior Vice-President of Category Management & Product Development for Sa Sa, explains why the Hong Kong market is an important gateway to mainland China.

Bonjour - www.bonjourhk.com

Bonjour Holdings Limited is a leading cosmetics and beauty service company in Hong Kong and is widely recognised by citizens and tourists.

Bonjour was established in 1991 and owns 44 retail stores in Hong Kong, Macau and in Guangzhou on the mainland. Bonjour carries over 24,000 beauty and healthcare products. Products are divided into five categories: skincare; make-up; fragrances; healthcare; hair care, personal care and accessories.

[Find Bonjour](#)

The following cosmetic chain stores are similar to Bonjour and Sa Sa, but smaller. They offer diverse range of branded products, including skin care, perfumery, make-up, personal care and trendy items.

Aster Cosmetics - www.aster.com.hk

[Find Aster](#)

Angel Cosmetics - www.angel.com.hk

[Find Angel](#)

Colormix Cosmetics - www.colourmix-cosmetics.com

[Find Colormix](#)

2. Department Stores

Lane Crawford – www.lanecrawford.com

Lane Crawford is Hong Kong's leading specialty department store, offering the largest assortment of designer brands in Asia.

Founded in 1850, Lane Crawford evolved from a department store to a fashion and lifestyle specialist, and stocks designers from around the world in womenswear, menswear, shoes and accessories, lingerie, jewellery, cosmetics and home and lifestyle.

It is located at ifc mall in Central, Canton Road in Tsim Sha Tsui, Times Square in Causeway Bay and Pacific Place in Admiralty with a dedicated home store.

[Find Lane Crawford](#)

Joyce Beauty - www.joyce.com

Lane Crawford and Joyce Beauty are a part of the same group.

Joyce Beauty has established itself as a beauty destination in Asia featuring a portfolio of niche brands. Joyce Beauty offers exclusive skincare, hair and body care, makeup and fragrances and niche brands.

It currently has seven locations (including 3 inside Lane Crawford stores) in Hong Kong. It is continuing to expand its presence in Hong Kong and mainland China.

[Find Joyce Beauty](#)

Lab Concept - www.labconcepthk.com

Lab Concept is the contemporary retail management arm of Lane Crawford Group working in partnership with leading contemporary brands. It operates a 64,000 square feet mall at Queensway which opened in 2012, and since then it has expanded to multiple locations in Hong Kong. It sells brands from all over the world. Apart from fashion exclusives, Lab also features over 50 beauty brands in its Facesss stores in Harbour City and Queensway Plaza.

[Find Lab Concept](#)

Harvey Nichols Hong Kong - www.harveynichols.com

Harvey Nichols Hong Kong is an upscale luxury fashion outlet. It offers many of the world's most prestigious brands in womenswear, menswear, accessories and beauty.

It has three beauty locations in Hong Kong: Beyond Beauty located in the Landmark in Central; Pacific Place in Admiralty; and Beauty Bazaar by Harvey Nichols in Tsim Sha Tsui.

[Find Harvey Nichols](#)

3. Beauty Counters at Department Stores

Sogo - www.sogo.com.hk

Sogo commenced operations in 1985 as the largest Japanese-style department store in Hong Kong. Sogo is one of the major shopping landmarks for Hong Kong people and tourists. Sogo is characterised by its "one-stop shop", "shop-in-shop", "Japanese style" and "customer oriented" concepts, which offer quality goods and services, customer convenience, and comfortable and pleasurable shopping environment.

Sogo in Causeway Bay and Tsim Sha Tsui offers a wide selection of products from European to Japanese brands, from skincare to fashion, from jewellery to home and audio and entertainment.

[Find Sogo](#)

Yata – www.yata.hk

Set up in 1990 in Shatin, the store was rebranded as Yata Department Store in 2008. Adopting the concept of "quality shopping at a modern Japanese lifestyle department store", Yata is devoted to delivering fine and reliable commodities from Japan to Hong Kong.

There are beauty counters at Yata department stores in Shatin, Tai Po and Sheung Wan.

[Find Yata](#)

AEON - www.aeonstores.com.hk

AEON was set up in 1985 and listed on the Hong Kong Stock Exchange in 1994.

AEON stores opened its first store at Kornhill, Taikoo, followed by other stores in Hong Kong Island, Kowloon and New Territories. In addition, online shopping store JUSCOCITY (now AEONCITY) was launched in 2000 to provide online shopping services to customers.

Currently, it operates 9 AEON stores with beauty counters.

[Find AEON](#)

Wing On - www.wingonet.com

Established in 1907, the Wing On Department Stores Group is one of the largest and best known retailers in Hong Kong with five outlets. After a century, Wing On has become a firmly established household name and a leader in the department store business in Hong Kong. There are beauty counters located in all Wing On stores.

[Find Wing On](#)

UNY, APITA and PIAGO - www.unyhk.com

UNY is a retailer that specialises in unique merchandising.

[Find UNY Lok Fu](#)

PIAGO is a Japan living goods department store.

[Find PIAGO Kowloon Bay](#)

APITA is a Japanese style shop offering a diverse range of lifestyle and beauty products.

[Find APITA Taikoo](#)

CitySuper - www.citysuper.com.hk & www.logon.com.hk

Established in 1996, City Super opened its first store at Times Square, in the Causeway Bay shopping hub with the plan of creating Hong Kong's first-of-its-kind "mega lifestyle specialty store". Two decades later, City Super now operates 19 stores in Hong Kong, seven stores in Shanghai and six stores in Taiwan across its three store brands, namely, city'super, LOG-ON and cookedDeli.

Currently there are 11 LOG-ON stores in Hong Kong. It is a lifestyle store featuring trendy products from around the world including stationery, fun gadgets and photographic items, fashion, travel accessories, beauty and wellness products.

[Find LOG-ON](#)

4. Pharmacy Chains

Watsons - www.aswatson.com

Watsons is the health and beauty brand of A.S. Watson Group.

Watsons is Asia's leading health and beauty retailer, currently operating over 4,000 stores and more than 1,000 pharmacies in 12 Asian and European markets, including China, Hong Kong, Indonesia, Korea, Macau, Malaysia, Singapore, Taiwan, Thailand, Turkey, the Philippines and Ukraine.

According to "Asia's Top 1,000 Brands" survey in 2013, Watsons has been the top ranked pharmacy/drugstore brand in Asia since 2009.

[Find Watsons](#)

Mannings - www.mannings.com.hk

Mannings is one of the brands of Dairy Farm Group retail conglomerate.

With 350 outlets, Mannings is one of Hong Kong's leading health and beauty retailers. The chain has won numerous awards for its professional service and offers a high quality, comprehensive range of healthcare, personal care, skin care and baby care products.

The first two health stores under the 'Mannings Plus' banner were opened in 2010, offering services ranging from free professional consultations to health tests.

[Find Mannings](#)

4. Multi-brand Shops

Meka - www.meka.com.hk

Meka is a personal health care products chain store and a subsidiary company of Mekim Limited. Mekim first started in the 1980s distributing pharmaceutical and personal health care products. In 1995, Mekim decided to set up Meka outlet retailing personal health care products of well-known international brands. There are currently 12 Meka stores in Hong Kong.

[Find Meka](#)

In the [video insight series](#), William Tsui, Managing Director of Mekim, explains what tactics to use and the power of social media as a significant marketing tool in Hong Kong and China.

Nest Beauty - www.nestbeauty.com

Launched in Hong Kong in 2008, Nest Beauty is a holistic wellness health and beauty concept store, with outlets located in Causeway Bay, Central, Tsim Sha Tsui. Nest Beauty sources internationally for the high-quality organic skincare labels from Australia, France, Germany, Greece, the UK and the US.

Nest Beauty products undergo inspection and examination to ensure they meet standards in business ethics, environmental-friendly packaging, effectiveness and against animal testing. All their products are completely free from parabens, SLS, artificial colorings, artificial preservatives, mineral oil and other harmful chemicals.

[Find Nest Beauty](#)

In the [video insight series](#), Tiffany Lau, Director of Nest Beauty, suggests ideas on labelling, packaging and pricing strategies to help Australian cosmetic companies succeed in the Hong Kong market.

5. Australian Concept Stores

Jurlique - www.jurlique.hk

Jurlique is a well-established Australian beauty and skin care company exporting to Hong Kong for more than five years. Jurlique has 10 stores in Hong Kong.

Aesop - www.aesop.com

Aesop was established in Melbourne in 1987 and has now opened eight stores in Hong Kong since 2010.

Anumi Skincare - www.anumiskincare.com

Anumi first launched in Hong Kong in 2013. This year, it opened new beauty counters in Wing On Department Store and Sogo Department Store in Tsim Sha Tsui and a second concept shop in Olympian City II. This shop is also its first Organic Facial Experience Centre.

6. Supermarkets

In Hong Kong there are two main supermarket chains, ParknShop and Wellcome, plus a number of other stores that may be of interest to Australian suppliers. These supermarkets offer a large variety of imported goods, as well as fresh fruit and vegetables and many non-food items including beauty and health products. See our [supermarket retail guide](#) for more details.

ParknShop

[ParknShop](#), a member of the [A. S. Watson Group](#), has more than 170 stores in Hong Kong, Macau and mainland China, plus a number of supermarkets under different brand names that target higher-income consumers. ParknShop and its associated high-end supermarket brands also carry health and beauty products of international brands.

- **ParknShop**

[ParknShop](#) is a mainstream brand in Hong Kong with more than 170 stores around the territory. ParknShop sells both Chinese merchandise and imported goods. The first ParknShop store opened in Stanley, Hong Kong in 1973. For a decade the store remained a local retailer until the mid-1980s when it began to expand outside Hong Kong.

- **ParknShop Superstore**

The first [ParknShop Superstore](#) was opened in Hong Kong in 1996 with a floor space of 4,200 m², offering a large variety of imported goods, as well as fresh fruit and vegetables and many non-food items.

- **Taste**

[Taste](#) is an international Asian superstore concept that provides customers with a "More than Food" shopping experience. Taste has bright and contemporary stores that reflect a commitment to deliver "More Than Food", with a range that spans fresh and ready-to-eat food, an in-store bakery, imported specialist items, a wine cellar, household goods and gifts, and even fashion and luxury accessories.

- **Fusion**

[Fusion](#) by ParknShop is an international superstore concept that combines the freshest produce with a wide selection of Asian and western delicacies.

- **SU-PA-DE-PA**

New concept destination store [SU-PA-DE-PA](#) is a unique name with SU-PA means supermarket and DE-PA means department store. The name itself is a cutting-edge concept combining

supermarket and department store to cater for all customers' daily needs: food, clothing, living and entertainment.

- **International**

International by ParknShop is an international supermarket concept that provides the best flavours of east and west, catering for International, Asian and Western customer segments.

Wellcome

Owned by the Dairy Farm Group, Wellcome has more than 280 stores in Hong Kong. It operates a number of branded stores in Hong Kong, with different stores to appeal to different segments of the market. Wellcome and its associated high-end supermarket brands also carry health and beauty products of international brands.

- **Wellcome/Superstore**

Wellcome has grown into the largest supermarket chain with the oldest heritage in Hong Kong over the past 60 years. With a network of over 280 stores and over 8,000 employees, Wellcome attracts over 14 million customers per month.

- **ThreeSixty**

ThreeSixty is one of Asia's destinations for organic, natural and wholesome food. It offers an extensive range of take-home and ready-to-eat food options, together with a large range of Earth-friendly household products, non-chemically based personal care items and wellness-related lifestyle products.



- **MarketPlace by Jasons**

MarketPlace by Jasons was launched in Hong Kong in 2007 to offer consumers a combination of international and customised assortment of foods at competitive prices.

Austrade Contacts

If your company is looking to export from Australia and visit these markets, Austrade's team of English and Chinese-speaking business advisers is ready to assist you.

Please contact Austrade Hong Kong team:

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For more information about the dynamic Hong Kong and Macau markets and how Austrade can help you, please visit our website: www.austrade.hk