INTRODUCTION

With a wealthy population of 7.3 million and a GDP of US$307 billion, Hong Kong is a large, high-value and expanding market for Australian products, including beauty and health products.

Hong Kong is the second largest export market for Australian perfumery and cosmetic products, representing more than 13 per cent of the total exports. Australian cosmetics exports to Hong Kong grew by 14 per cent to about A$70 million (approximately HK$420 million) in 2015. It has more than doubled in the last six years from A$26 million since 2010. *(source: Australian Bureau of Statistics on Global Trade Atlas)*

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

Last year more than 59.3 million visitors, including over 45.7 million mainland Chinese, came to shop in Hong Kong, with cosmetics and skin care items a key focus. Hong Kong is a significant market and an excellent testing ground for international products entering the region.

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OVERVIEW OF HONG KONG DISTRIBUTION CHANNELS - BEAUTY AND HEALTH PRODUCT

With virtually no local manufacturing, Hong Kong's beauty product needs are overwhelmingly met by imports. 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 target products 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 – for all price ranges. These stores are still selling parallel-imported brand name products, but are progressively seeking new product lines to reduce their parallel imports
- Personal care chain stores (combined with pharmacies) – 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
- Multi-brand stores – for middle to high-end ranges. They may also play the role as importers and also distributors to import products directly from suppliers
- Supermarket chains – low-end/mass products, tendency towards private labels
- Concept stores – standalone brand stores offering experiential aspects to consumer
- B2C e-Commerce platforms – development of O2O and cross border e-commerce platforms for imported goods
DIAGRAM: HONG KONG DISTRIBUTION CHANNELS - BEAUTY AND HEALTH PRODUCT

- **Australian Supplier**
- **Dept. Stores**
  - Lane Crawford
  - Joyce Beauty
  - Harvey Nichols
  - Faess
- **Beauty Specialty Stores**
  - Sa Sa
  - Bonjour
  - Colormix
  - Aster
  - Angel
- **Distributor / Agent**
- **B2C e-Commerce**
- **Chain Pharmacies**
  - Watsons
  - Mannings
- **Multi brand Shops**
  - Nest Beauty
  - Mekim
  - A Beauty Bar
- **Concept Store**
  - Jurlique
  - Aesop
  - Anumi
- **Supermarkets**
  - ParknShop
  - Wellcome
  - City Super
  - Logon
  - Three Sixty
- **Dept. Stores on Concession Arrangement**
  - Sogo
  - AEON
  - Yata
  - WingOn
  - UNY/APITA/PIAGO
  - City Super/Logon
HEALTH AND BEAUTY PRODUCTS RETAIL STORES IN HONG KONG

1. Department Stores

Lane Crawford – www.lanecrawford.com
Lane Crawford is Hong Kong’s leading specialty store, offering the largest assortment of designer brands in Asia.

Founded in 1850, Lane Crawford evolved from a department store to a beauty, 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 nine locations (including 3 in Lane Crawford) in Hong Kong. It is continuing to expand its presence in Hong Kong and Mainland China.

Find Joyce Beauty

FACESSS - www.labconcepthk.com
Nestled in Queensway Plaza, Admiralty and Ocean Terminal, Tsim Sha Tsui, FACESSS features over 50 internationally reputed make-up, skincare, body & hair and fragrance brands. Being a one-stop beauty shopping heaven for the hipsters, FACESSS offers a contemporary and inviting beauty shopping environment where style meets accessibility.

At FACESSS, customers can enjoy the professional pampering services offered by different international beauty brands.

Find FACESSS
**Harvey Nichols Hong Kong - [www.harveynichols.com](http://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 (temporary closed for renovation till the mid of September), Pacific Place in Admiralty, as well as Beauty Bazaar by Harvey Nichols in Tsim Sha Tsui.

**Find Harvey Nichols**

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**2. Beauty Specialty Stores**

**Sa Sa - [www.sasa.com](http://www.sasa.com)**

Established in 1978, Sa Sa International Holdings Limited is a leading cosmetics retailing group in Asia. Listed on The Stock Exchange of Hong Kong Limited in 1997. It has over 280 retail stores and counters in Asia.

Sa Sa sells over 700 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 280 "Sasa" 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. Their e-business platform, sasa.com, offers round-the-clock e-tailing and launched a regenerated Mainland China shopping website in 2015.

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 sole agents in cosmetics in Hong Kong, with services that include brand management, marketing, sales and distribution to 111 outlets in Hong Kong & Macau.

**Find Sa Sa**

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**Bonjour - [www.bonjourhk.com](http://www.bonjourhk.com)**

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

Bonjour was established in 1991 and owns 47 retail stores in Hong Kong, Macau and Guangzhou. Bonjour carries over 26,000 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 all like Bonjour and Sa Sa stores except they are smaller. They offer diverse range of branded products, including skin care, perfumery, make-up, personal care and trendy items.


**Find Aster**


**Find Angel Beauty Bar**

**Colormix Cosmetics -** [www.colourmix-cosmetics.com](http://www.colourmix-cosmetics.com)

**Find Colormix**

### 3. Beauty Counters at Department Stores

**Sogo -** [www.sogo.com.hk](http://www.sogo.com.hk)

Sogo commenced its operations in 1985, the largest Japanese-style department store. Sogo is one of the major shopping landmarks for Hong Kong people and tourists. Sogo is characterized by the “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](http://www.yata.hk)

Set up in 1990 in Shatin it 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 deliver fine and reliable commodities from Japan to Hong Kong.

There are beauty counters at their Yata department stores in Shatin, Taipo and Tsuen Wan.

**Find Yata**
AEON - www.aeonstores.com.hk

AEON was set up in December 1985 and listed on the Hong Kong Stock Exchange in February 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 is 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


Established in 1996, City Super opened its first store in Times Square, in the Causeway Bay shopping hub with the plan of creating Hong Kong’s first-of-its-kind “Mega Lifestyle Specialty Store”. Nineteen years on, City Super currently operates 21 Hong Kong stores, 6 Shanghai stores and 6 stores in Taiwan across the three store brands, namely, city’super, LOG-ON and cookedDeli.

Currently there are 13 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 in their LOG-ON stores.

Find LOG-ON
4. Pharmacy Chains

**Watsons** - [www.aswatson.com](http://www.aswatson.com)

Watsons is the health and beauty brand of A.S. Watson Group. In 2016, it marks the 175th Anniversary of Watsons established in Hong Kong.

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, Taiwan, Macau, Singapore, Thailand, Malaysia, the Philippines, Korea, Indonesia, Turkey and Ukraine.

According to “Asia’s Top 1,000 Brands” survey in 2013, Watsons has been the No. 1 pharmacy/drugstore brand in Asia since 2009. Watsons received the Gold Award of Top 10 Retailer in Hong Kong in 2016 presented by Retail Asia-Pacific Top 500 Award.

As an online subsidiary of A.S. Watson Group, [WatsonsMall](http://www.aswatson.com) is operating to offer health, beauty and lifestyle products from around the world.

*Find Watsons*


Mannings is one of the brands in Dairy Farm Group.

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 was opened in 2010, offering services ranging from free professional consultations to health tests.

Manning has been awarded of ‘Service Retailers of the Year 2014” for No.1 Personal Care products and No.1 Infant & Child Merchandise by Hong Kong Retail Management Association Mystery Shoppers Programme.

*Find Mannings*
5. Multi-brand Shops


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 53 stores Meka stores in Hong Kong.

**Find Meka**

**Nest Beauty - [www.nestbeauty.com](http://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, Greece, Germany, 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**


With 4 stores operating in Hong Kong and 2 in Macau, A Beauty Bar is promoted as a one-stop wellness home. It promotes experiences of beauty services and shopping in a one-stop shop, providing a healthy and beautiful lifestyle. As part of the ongoing commitment to service quality and excellence, they enhance their customer services with the theme "Make Yourself at Home".

**Find A Beauty Bar**
6. Australian Concept Stores

**Jurlique – www.jurlique.hk**

It is a well-established Australian beauty and skin care company exporting to Hong Kong for over 5 years. Jurlique has 21 stores in Hong Kong.

**Aesop – www.aesop.com**

Aesop was established in Melbourne in 1987 and has now opened 8 stores in Hong Kong since 2010.

**Anumi Skincare – www.anumiskincare.com**

Anumi’s first launched in 2012 in Hong Kong. It has beauty counters in Olympian City II in Kowloon West, Telford Plaza in Kowloon Bay, World trade Centre in Causeway Bay and Sogo Department Store in Tsim Sha Tsui East.
7. 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.

ParknShop

**ParknShop**, a member of the **A. S. Watson Group**, has more than 302 stores in Hong Kong and Macau, plus a number of supermarkets under different brand names that target higher-income consumers.

- **ParknShop**

  **ParknShop** is the leading supermarket chain 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**

Founded in 1945 and 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/Superstore**
  
  **Wellcome** has grown into the largest supermarket chain with the oldest heritage in Hong Kong in just a little over 70 years. With a network of over 280 stores and over 8,000 employees, Wellcome attracts over 16 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.
8. B2C e-Commerce Platforms

Hong Kong companies have expanded into online-to-offline commerce (O2O) and cross-border e-commerce to meet the demand of China’s large and growing middle class. Major Chinese retailers are establishing sourcing offices in Hong Kong to take advantage of international products available, ease of imports and general access to global suppliers.

Cross border e-commerce (CBEC) is a special import channel which allows products to be sold directly online sale to consumers (B2C). For more information about e-Commerce in China, please see the Guide for Australian Business.

Many international businesses went through e-Commerce channels to sell to Hong Kong and China. Tmall.com, JD.com and VIP.com are the major cross-border e-Commerce platforms in China.
**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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<th>Position</th>
<th>Email</th>
<th>Tel</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Wendy Haydon</td>
<td>Trade Commissioner Investment</td>
<td><a href="mailto:wendy.haydon@austrade.gov.au">wendy.haydon@austrade.gov.au</a></td>
<td>+852 2588 5303</td>
</tr>
<tr>
<td></td>
<td>Valerie Chan</td>
<td>Business Development Manager</td>
<td><a href="mailto:valerie.chan@austrade.gov.au">valerie.chan@austrade.gov.au</a></td>
<td>+852 2588 5309</td>
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For more information about the dynamic Hong Kong and Macau beauty and health markets and how Austrade can help you, please visit our website: [www.austrade.hk](http://www.austrade.hk)