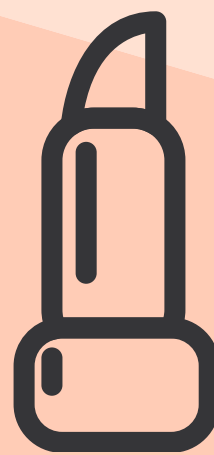
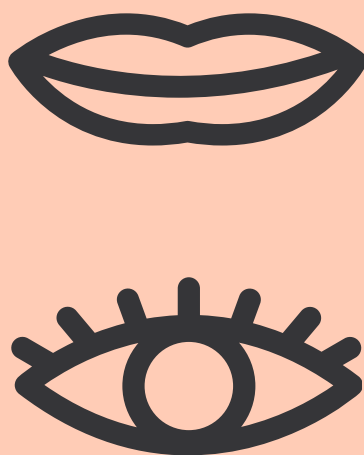
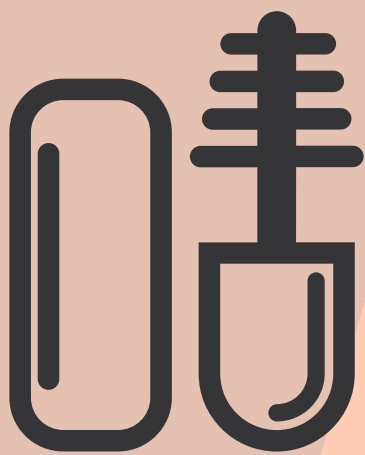


Market Research

COSMETIC

September 2020

Hong Kong



20
20



Ministry of Foreign Affairs
and International Cooperation



ITALIAN TRADE AGENCY



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Background:

Hong Kong Current Market Overview

Business Shock Under COVID-19

The retail industry is now affected by Hong Kong's economic downturn, we recommend investors should also take it in consideration. Hong Kong's economy has been in serious turmoil starting from last year, with the series of social incidents as well as the Coronavirus outbreak deeply affecting businesses' operation.

The number of tourist arrivals in the past few months had been at a dramatic low, decreased drastically down 99 % with reference to the same months last year due to travel restriction policies under the outbreak of the COVID-19. It has brought inbound tourism almost to a standstill and caused severe disruptions to consumption-related activities.

The Hong Kong Retail Management Association has appealed to landlords for generous rent-relief measures to rescue coronavirus-stricken retailers, warning that more than 60,000 shops are facing closure while over 260,000 workers may lose their jobs.

Over the first five months of this year, the provisional value of sales plummeted 34.8 per cent from the same stretch in 2019, to HK\$134.36 billion. June is the 16th straight month of decline but retailers predict the level of contraction will continue to narrow.

Source : SCMP News: <https://www.scmp.com/news/hong-kong/hong-kong-economy/article/3091262/hong-kong-retail-shrinks-third-may-rate-decline>





Sa Sa International reported a record loss of HK\$515.9 million for the year ending March 31

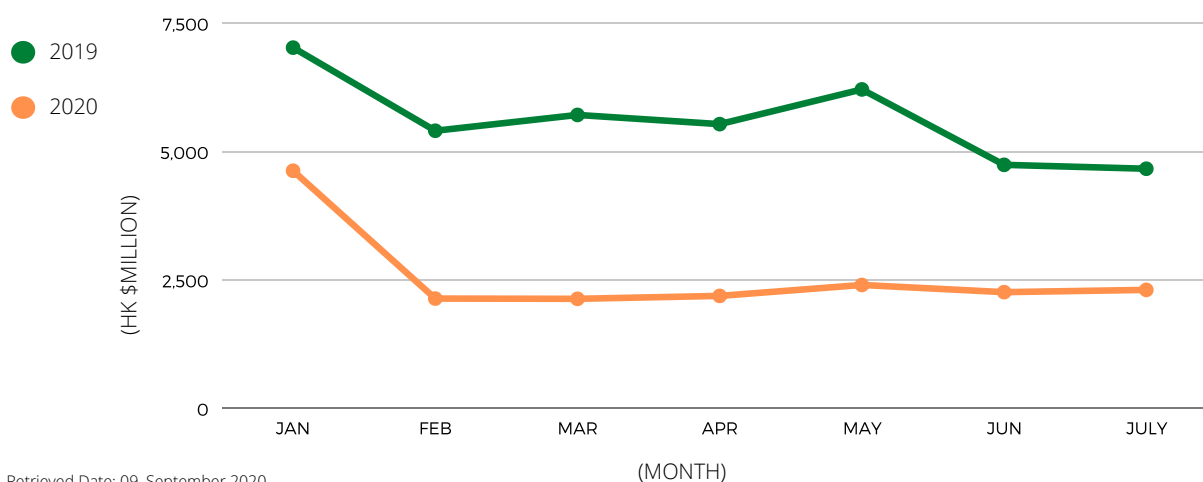
Hong Kong's largest cosmetics chain retailer, SaSa plans to shutter 20-25% of its stores in the coming 18 months, besides, their chief executive director has taken a 75% pay cut for 3 months to help reduce costs after the sales figures slumped amid the coronavirus outbreak.

Reference:
<https://www.scmp.com/business/companies/article/3049354/nowhere-hide-hong-kong-retailers-sa-sa-cuts-directors-pay-amid>

For the first seven months of this year, Hong Kong retail sales have dropped by 32.1 % compared with the same period last year.

Referring to the latest figures from the Census and Statistics Department on retail sales, the value of total retail sales in February 2020, provisionally estimated at \$22.7 billion, decreased by 44.0% compared with the same month in 2019. In July, retail sales in Hong Kong plunged 26.5%, as the impact of the closed mainland border due to Covid-19 continued to reduce shopper numbers. Every other retail category recorded a decline for the month, with the greatest impact on the overall decline being sales of food, tobacco and liquor, down by 12.9 %. In descending order of impact, declines were posted of 7.2% for miscellaneous consumer goods, 53.7% for jewellery and watches, and 5.6 % for electrical goods and other consumer durables. Sales in department stores fell by 28.8%, of apparel by 42.5%, of medicines and cosmetics by 50.9%, books, newspapers, stationery and gifts by 41 %, of footwear and accessories by 53.6 % The below chart has showed the comparison between January to July 2019 and 2020 on the sales of proprietary medicines and supplies, cosmetic and toiletries. The sales value of 2020 averagely lower than HK\$ 2500 Million dollars, which is a serious drop compare to last year.

Value of retail sales by type of retail outlet (January - July 2019/2020 Comparison)
Proprietary medicines and supplies, cosmetics and toilet requisites



Retrieved Date: 09, September 2020

Source: Sales figure comparison of the above table are retrieved from Hong Kong Census and Statistic Department, from, <https://www.statistics.gov.hk/pub/B10800032020MM07B0100.pdf>, <https://www.statistics.gov.hk/pub/B10800032019MM09B0100.pdf>

TAX AND SAFETY REGULATIONS ON BEAUTY CARE PRODUCT



It is an offence for any person, in the course of his trade or business, to apply a false trade description to any goods; or supply or offer to supply any goods to which a false trade description is applied. It is also an offence for any person to have in his possession for sale any goods to which a false trade description is applied.



There is no import tax on cosmetics in Hong Kong. In case of re-export of products to China, some products could enjoy zero tariffs under CEPA III

MAINLAND AND HONG KONG CLOSER ECONOMIC PARTNERSHIP ARRANGEMENT (CEPA III)

Following the implementation of the third phase of the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA III) in January 2006, all products of Hong Kong origin can be imported into the mainland at zero tariffs. In December 2018, mainland China and Hong Kong entered into the Agreement on Trade in Goods under the CEPA framework to enhance the arrangements for CEPA Rules of Origin. With effect from 1 January 2019, all goods of Hong Kong origin enjoy zero-tariff preference when imported into the mainland. The new Agreement on Trade in Goods allows products currently not covered by the CEPA Rules of Origin to enjoy tariff-free treatment provided they comply with the general rule of origin requirement calculated on the basis of Hong Kong's value-added content. The Agreement also allows companies the flexibility to choose between the original CEPA build-up method or the newly introduced build-down method in calculating the value-added content in Hong Kong. For details about the rules of origin requirements, please refer to the Trade and Industry Department's CEPA webpage.



SAFETY REGULATIONS ON BEAUTY CARE PRODUCT

The safety of consumer goods which are ordinarily supplied for private use or consumption in Hong Kong, including personal care products and cosmetics, if not covered by other legislation, is subject to the regulation of the Consumer Goods Safety Ordinance (Cap 456) (CGSO) and its subsidiary legislation, Consumer Goods Safety Regulation (Cap 456A) (CGSR). According to the CGSO, manufacturers, importers and suppliers should ensure that the consumer goods comply with the "general safety requirement", which means that they are reasonably safe. In determining whether consumers goods are reasonably safe, one should have regard to all of the circumstances, including the use of any mark in relation to the consumer goods and instructions or warnings given for the keeping, use or consumption of the consumer goods; and reasonable safety standards published by a standards institute or similar body for consumer goods of the description which applies to the consumer goods or for matters relating to consumer goods of that description.

Moreover, personal care products and cosmetics which fall within the definition of "pharmaceutical products" under the Pharmacy and Poisons Ordinance (Cap 138) (PPO), must satisfy the criteria of safety, quality and efficacy and be registered with the Pharmacy and Poisons Board before they can be legally sold in Hong Kong.

In addition, hair dye preparations containing phenylne diamines, toluene diamines or other alkylated benzene diamines or their salts are Part 2 poisons under the PPO and should only be sold at registered premises of Authorized Sellers of Poisons (commonly known as pharmacies or dispensaries) or Listed Sellers of Poisons (commonly known as medicine companies). When selling these hair dye preparations, they are also required to comply with the relevant labelling requirements under the PPO including displaying the name of the poison on the container and its proportion in the total composition of the preparation, together with the text of "Caution. This preparation may cause serious inflammation of the skin in certain persons and should be used only in accordance with expert advice.", etc.



STATISTIC: HONG KONG IMPORTS FROM WORLD PERIOD : 2017-2019

Total Import By Countries

In 2019 Hong Kong imported cosmetics and beauty care products (HS 33) from all over the world for about 6.3 billion US dollars in value (Table 1) recorded a -4.93% change compared to the same period in 2018. Table 1 indicates the total import statistic of all kinds of beauty product, includes, essential oils, cosmetic product and accessories, perfume, body care product(body wash, lotion, cream), skin care product and hair product.

France is the largest supplier with a market share of 19.88%, with a value of US\$ 1.27 billion in 2019, compare to 2018 the market share has decreased by -7.13%. South Korea follows with a total value of US \$ 1.1 billion and a 17.63% market share and Japan ranked 3rd with US\$ 1 billion with market share of 17.13 % and has increased 1.12% compare to 2018. Italy ranked 7th with US\$221 million and 3.45 % market share, compare to 2018, the market share has increased 8.45%.

Table 1

Essential Oils And Resinoids; Perfumery, Cosmetic Or Toilet Preparations 2017-2019 HS Code: 33 (value unit: Million USD)

Rank	Partner	January - December (Value: Mil USD)			Market Share (%)			Change 2019/2018	
		2017	2018	2019	2017	2018	2019	Amount	Percent
0	World (Total)	5300	6727	6395	100	100	100	-332	-4.93
1	France	1019	1369	1271	19.23	20.35	19.88	-98	-7.13
2	South Korea	975	1208	1128	18.39	17.95	17.63	-80	-6.64
3	Japan	816	1083	1095	15.40	16.10	17.13	12	1.12
4	United States	560	778	751	10.57	11.57	11.74	-27	-3.49
5	China	546	679	538	10.30	10.10	8.42	-141	-20.77
6	United Kingdom	206	247	264	3.89	3.67	4.13	17	7.04
7	Italy	178	204	221	3.35	3.03	3.45	17	8.45
8	Switzerland	84	115	155	1.59	1.72	2.43	40	34.69
9	Spain	85	122	135	1.60	1.82	2.12	13	10.74
10	Singapore	147	108	124	2.77	1.61	1.94	16	14.54

Fonte: Trade Data Monitor: ICE Hong Kong

Data Retrieved Date: 09, September 2020

Total Export By Countries

As for exports of cosmetic and beauty care products (HS 33), The total export value is US\$ 4 billion. Hong Kong's main outlet market is China, which absorbs more than half of Hong Kong's exports, with a value of US \$2.39 billion, (Table 2) Macao is the second largest export market with US\$ 803 million and 20% market share, which has increased by 29.18% compared to 2018. Italy ranked the 36th with value US\$ 1 million and 0.02% market share.

The cosmetics and toiletries manufacturing sector in Hong Kong is small, with most manufacturers concentrating on the production of mid-priced toiletries and perfumes, particularly for markets such as mainland China, Southeast Asia and the United States. These are usually produced under their own brands. Most companies in the industry are traders, acting as agents to sell to mainland China, the US, Macao, Japan, Southeast Asia and the EU. Several Hong Kong spa and beauty salons also act as agents for cosmetics and skincare products looking to sell into Asia.

A number of traders have good connections, serving as useful links for selling professional product lines to beauty salons on the mainland. Hong Kong traders make good partners for foreign brands, given their market knowledge, skills, connections and integrity. They are also useful when it comes to handling entry procedures for goods being imported, with these tending to require the disclosure of confidential information, such as product formula.

Table 2

Essential Oils And Resinoids; Perfumery, Cosmetic Or Toilet Preparations, 2017-2019

HS Code: 33
(value unit: Million USD)

Rank	Partner	January - December (Value: Mil USD)			Market Share (%)			Change 2019/2018	
		2017	2018	2019	2017	2018	2019	Amount	Percent
0	World (Total)	2566	3417	4006	100	100	100	589	17.23
1	China	1178	1852	2393	45.91	54.21	59.74	540	29.18
2	Macao	469	639	803	18.27	18.69	20.04	164	25.72
3	Japan	201	217	215	7.82	6.35	5.36	-2	-1.13
4	United States	214	187	104	8.35	5.47	2.59	-83	-44.59
5	Singapore	109	93	99	4.23	2.71	2.48	7	7.21
6	Taiwan	59	47	58	2.29	1.38	1.45	11	23.91
7	South Korea	40	41	46	1.56	1.21	1.15	5	11.40
8	Thailand	30	28	35	1.18	0.82	0.88	7	25.98
9	Indonesia	23	30	30	0.90	0.86	0.75	1	1.69
10	Malaysia	25	29	28	0.96	0.85	0.70	-1	-4.53
36	Italy	1	2	1	0.02	0.05	0.02	-1	-58.85

Fonte: Trade Data Monitor: ICE Hong Kong

Data Retrieved Date: 09, September 2020

Position Of Italy By Product Category.

Perfumes / Cologne, beauty products and hair preparations (HS3303, 3304, 3305) are the best-selling Italian items in 2019, with sales for a total value of US\$ 103 million (Table 3) in the perfume / cologne category (HS 3303), Italy is the 2nd supplier of Hong Kong after France. While for hair preparations products (HS 3305) Italy ranked the 6th place with US\$ 10 million (Table 4) and 3.84% market share, which has slightly dropped 4.73% from 2018.

Table 3
Perfumes And Toilet Waters, 2017-2019
HS Code: 3303
(value unit: Million USD)

Rank	Partner	January - December (Value: Mil USD)			Market Share (%)			Change 2019/2018	
		2017	2018	2019	2017	2018	2019	Amount	Percent
0	World (Total)	477	567	537	100	100	100	-30	-5.26
1	France	221	267	253	46.28	47.08	46.99	-15	-5.45
2	Italy	80	97	103	16.81	17.03	19.10	6	6.21
3	United States	52	53	48	10.81	9.38	8.95	-5	-9.53
4	China	10	17	25	2.13	2.92	4.70	9	52.67
5	Spain	17	19	22	3.64	3.41	4.05	2	12.47
6	Singapore	23	22	18	4.89	3.94	3.30	-5	-20.67
7	Netherlands	15	29	17	3.14	5.19	3.19	-12	-41.82
8	United Kingdom	21	20	13	4.43	3.47	2.46	-6	-32.73
9	South Korea	8	17	13	1.59	3.06	2.45	-4	-24.01
10	Germany	5	7	8	0.96	1.23	1.56	1	20.31

Fonte: Trade Data Monitor: ICE Hong Kong

Table 4
Preparations For Use On The Hair, 2017-2019
HS Code: 3305
(value unit: Million USD)

Rank	Partner	January - December (Value: Mil USD)			Market Share (%)			Change 2019/2018	
		2017	2018	2019	2017	2018	2019	Amount	Percent
0	World (Total)	229	267	273	100	100	100	6	2.18
1	Japan	52	68	72	22.47	25.46	26.34	4	5.71
2	China	59	55	49	25.81	20.68	18.07	-6	-10.73
3	United States	21	28	32	9.29	10.32	11.72	4	16.03
4	South Korea	14	16	19	6.08	5.97	7.02	3	20.23
5	Taiwan	17	18	14	7.46	6.67	5.26	-3	-19.32
6	Italy	6	11	10	2.68	4.11	3.84	-1	-4.73
7	Thailand	9	10	9	3.88	3.80	3.46	-1	-7.03
8	Germany	13	14	9	5.45	5.09	3.37	-4	-32.38
9	Israel	2	7	8	0.66	2.74	3.02	1	12.42
10	France	3	6	7	1.18	2.13	2.64	2	26.61

Fonte: Trade Data Monitor: ICE Hong Kong

Data Retrieved Date: 09, September 2020

Overall, in cosmetic product, make-up and skin products (HS 3304), South Korea ranked the top partner import country with US\$ 1 Billion and 21.52% market share. Italy ranks in 9th position (Table 5) with an increase of 13.71%, value of US \$102 million. Highlighting for lip make up product, (Table 6) France is still the biggest supplier country, while Italy ranks the 4th among all supplier countries with US\$14 million and 8.47% market share.

Table 5

**Beauty Or Make-Up And Skin-Care Preparations (Other Than Medicaments)
Including Sunscreens Etc.; Manicure Or Pedicure Preparations, 2017-2019**

HS Code: 3304
(value unit: Million USD)

Rank	Partner	January - December (Value: Mil USD)			Market Share (%)			Change 2019/2018	
		2017	2018	2019	2017	2018	2019	Amount	Percent
0	World (Total)	4050	5322	5023	100	100	100	-299	-5.61
1	South Korea	942	1166	1081	23.25	21.91	21.52	-85	-7.29
2	Japan	736	982	988	18.18	18.46	19.66	5	0.53
3	France	731	1044	958	18.06	19.61	19.07	-86	-8.20
4	United States	411	628	604	10.15	11.80	12.02	-24	-3.84
5	China	303	410	275	7.49	7.70	5.47	-135	-33.02
6	United Kingdom	156	195	221	3.84	3.66	4.40	26	13.55
7	Switzerland	75	103	149	1.85	1.93	2.96	46	44.48
8	Spain	61	96	104	1.50	1.80	2.08	9	9.28
9	Italy	86	90	102	2.12	1.69	2.04	12	13.71
10	Singapore	109	66	82	2.70	1.25	1.63	16	23.68

Fonte: Trade Data Monitor: ICE Hong Kong

Table 6

Lip Make-Up Preparations, 2017-2019

HS Code: 330410
(value unit: Million USD)

Rank	Partner	January - December (Value: Mil USD)			Market Share (%)			Change 2019/2018	
		2017	2018	2019	2017	2018	2019	Amount	Percent
0	World (Total)	183	204	170	100	100	100	-34	-16.62
1	France	86	95	66	47.10	46.64	38.73	-29	-30.76
2	United States	26	34	32	14.31	16.82	19.10	-2	-5.29
3	Japan	13	18	16	7.27	8.92	9.57	-2	-10.46
4	Italy	9	10	14	5.12	4.72	8.47	5	49.75
5	China	13	14	11	6.86	6.88	6.49	-3	-21.44
6	South Korea	12	8	9	6.42	4.01	5.15	1	6.99
7	United Kingdom	2	3	5	0.99	1.41	2.79	2	65.09
8	Canada	3	3	4	1.56	1.57	2.24	1	18.61
9	Belgium	2	2	3	1.25	1.09	1.63	1	24.37
10	Germany	6	4	2	3.47	1.89	0.92	-2	-59.21

Fonte: Trade Data Monitor: ICE Hong Kong

Data Retrieved Date: 09, September 2020

BEAUTY CARE MARKET OBSERVATION INDUSTRY OVERVIEW

The sales of beauty care product in Hong Kong is dominated by foreign brands. Japan, Korea and Europe, ranked the top 3 importing places. International brands, such as Shiseido, L'Oreal, Estee Lauder, P&G have a dominant role in the high-end market in the world cosmetic market, as well as Hong Kong and the whole region. Several international suppliers have reached licensing agreements with supermodels and fashion brands with regard to developing fragrances and cosmetics products. Some have also collaborated with top fashion brands to offer more personalised choices to consumers under their private labels, notably Anna Sui, Chanel, Christian Dior and Armani. Armed with technology and cost advantages and supported by global production plants, they occupy the top tier of the market. European brands benefit from historical and scientific status and appeal to the ever-present cultural ideal of the refined Western woman. Hence, there is space for less known foreign or niche brands (such as the Spanish brand Bimabio) to enter the market, as long as their penetration strategy is honed.

Beauty care product from other Asian countries, especially Japan and South Korea are gaining popularity nowadays with leading sales figures in Hong Kong's skin care and cosmetic market, with wide selections of products for price range from low to mid end. The products of pioneering brands such as Japanese names SK-II and Shiseido and of Korean InnisFree are known for being high quality with proven formulations reflecting the Asian ideals of a white, flawless, unified skin. They are, therefore, highly appealing to the young generation, who usually have lower income but a stronger appetite for novelty and a notable preference for product personalization. While for Hong Kong local manufacturers of cosmetics and toiletries are present in the mid to low-end market segments.



BEAUTY CARE MARKET OBSERVATION

PRODUCT TRENDS

Cosmetics tends to have a shorter life cycle than many other types of consumer goods. In advanced markets, the average product life of cosmetics items could be as short as one month. Colours and shades play an important role, and these elements are heavily influenced by fashion trends, popular tastes and seasonal moods. These trends usually originate in large-scale trade fairs in Europe, spread to the US, then Japan and other Asian regions, through trendsetter magazines. Giant cosmetics companies always have a huge influence on those magazines. It is important for manufacturers to offer a wide selection of trendy colours and shades for each season.

Anti-Aging Product

The ageing population is driving the recent surge in 'cosmeceutical' products that combine cosmetics with vitamins, herbal extracts and sometimes pharmaceuticals, such as vitamin-C lotions, tea tree oil-infused cleansers and collagen masks (collagen is formally used in the treatment of burns). Many medicinal beauty products tend to highlight their anti-ageing skincare functions. Dermatology is incorporated into product development, and products catering for different skin types are available. Active ingredients are being added to cosmetics, and plant extracts and traditional Chinese herbs are also very common, especially among Chinese, Japanese and Korean-made cosmetics.

Organic and Natural Product

Organic and natural cosmetics made from mineral pigments and organic plant extracts, which provide natural sunscreen or long-lasting colour, and deliver a healthy-looking radiant glow, are also gaining popularity. Unlike conventional cosmetics, none of these products contain artificial fragrances or oil by-products, making them ideal for those with sensitive skin.

Professional Products : Treatment At Home

An increasing number of professional products with specific functions have emerged in recent years, in line with consumers' increasing knowledge on product application. Such consumers pay more attention to the ingredients and functions of products, and can manage more steps and more specific applications.

Many products are also moving towards beauty salon standards and claiming to deliver salon quality results. A number of at-home body-firming products, such as Estee Lauder Perfectionist, Fancil Shape Design and L'Oreal Perfect Slim, for instance, all represent attempts to compete with salon products. This trend may continue in the long term as the persistence of the slimming trend is still driving consumer demand for firming products. Men's skincare products are also expected to become more specialised as the market matures.



Slimming products

The activity related to slimming products and services has increased rapidly in recent years. A wide spectrum of products and tools are available on the market: slimming creams, gels and soaps offered by internationally renowned cosmetic brands; clothing such as underwear, pants, shorts or waistbands to shape the body; foods such as diet teas, diet pills, fiber, and meal replacements; equipment such as mini-steppers, appliances and belts to exercise the abdominals, massagers and machines for electrostimulation of the muscles. Weight loss centers spend millions of Hong Kong dollars to launch promotional campaigns featuring print advertisements, banners and ads on television, buses, trains and subway stations, often presented by a testimonial, usually a model or character from the locally famous show. Major slimming centers offer packages that guarantee results. An example is provided by the Sau San Tong Healthy Trim Institute, which in Hong Kong has three weight loss centers and a yoga center and also operates weight loss centers in China (Beijing, Hangzhou, Shanghai, Shenzhen) and Canada (Vancouver).



Nail products

Gel Nail service is growing its importance in the beauty care market. As well as hands care and nail polishing product which allows user to apply nail polish at home. The abundance of nail salons and centers shows how important nail care is considered to be in Hong Kong. Standard services offered by beauty centers include hand treatments (manicures, massages, nail polish, etc.), nail art (painting designs on nails, embossed art, stone insertion, etc.), artificial nails (gel or acrylic), nail filling, foot care (pedicure, massage, treatments, etc.). There are various training schools in nail aesthetics.

SALES CHANNEL: CONSUMER BEHAVIOR



Hong Kong is a market that needs to be approached differently than that of mainland China when it comes to sales and marketing strategies in the skincare category. This is in part due Hong Kong's unique status characterized by but not limited to the following. It is a financial APAC Hub Large expatriate community. A multi-lingual environment with the mixture of Western and Chinese social networks, High population density but small living spaces drive the offline shopping culture.

Foreign skincare brands are users' favourites, Most companies in the industry are traders who act as agents for international cosmetics brands looking to sell to mainland China, Macao and Southeast Asian markets. Hong Kong is home to a large number of experienced distributors, many of whom are well versed in regional market conditions and regulations. They are capable of acting as distributors for popular brands, targeting the general public and devising comprehensive marketing initiatives. Hong Kong's cosmetics and toiletries manufacturers, such as Choi Fung Hong, who tend to highlight the Hong Kong origin of their products, which are targeted at the retail markets in mainland China and Southeast Asia. Large numbers of mid- and high-end foreign brands have established sales counters in local department stores and opened outlets in shopping malls. Their experience stores at shopping malls provide customers a learning platform for using their products.

International brands monopolize the shopping malls. Providing the dominance of offline shopping in Hong Konger's living culture, international brands are more reachable. Many international cosmetics and toiletries brands have also set up offices in Hong Kong to assist in market development. Specialty cosmetics chains are well developed in Hong Kong, with Sasa, Bonjour, Aster, Colourmix and Angel Beauty Bar taking the lead. These companies mainly sell international brands with deep discounts, offering private label products as well, and they are very popular among consumers. Health and personal care chains, such as Watson's and Mannings, have shifted their focus more towards cosmetics and skincare products in recent years, selling mainly international brands.

SALES CHANNEL: ONLINE SHOPPING



Social media has become an important feature of modern living in recent years. Many cosmetics and skincare brands have begun to promote their products through social media, such as Instagram and YouTube. Some brands have even invited internet celebrities or key opinion leaders (KOLs) to review their products for marketing purpose.

The growing importance of online sales and digital marketing has drawn widespread concern from the sector regarding the impact of new retail formats on sales performance. In the meantime, the ease of online access to product information has posed a challenge to cosmetics brands in maintaining consumer brand loyalty. They are therefore keen to publicise the unique values and ideas of their products so as to gain the approval of consumers and retain their customer base in the long run.



SALES CHANNEL: MAJOR CHAIN DISTRIBUTOR

Sa Sa Cosmetics

Founded in 1978 and listed on the Hong Kong stock exchange since 1997, with over 270 stores, Sa Sa is the largest chain of stores specializing in the sector in Asia-Pacific; Sa Sa sells more than 600 international and own-brand brands and around 2,000 employees with specific training in the areas of skin-care, make-up and hair-care work in its stores. Sa Sa, exclusive agent in Asia on behalf of over 100 international brands, is present in Hong Kong and Macao with 108 stores. Through the sasa.com website and Iphone applications, the group is also active in e-commerce.

Website: http://web1.sasa.com/SasaWeb/splash.jsp?cm_re=cn_top_globalsite

Bonjour Cosmetics

Founded in 1991, Bonjour Holdings operates 41 retail perfumeries, 14 slimming and beauty salons and 2 specialized foot massage centers in Hong Kong. Bonjour is the second largest retailer of cosmetic products in the area. As Sa Sa, Bonjour's strength lies in offering a wide range of cosmetics, perfumes, skin and hair products at discounted prices as well as four private brands and some brands distributed exclusively. Bonjour Beauty Salons are a one-stop shop with beauty and body care services that include shaping, skin cleansing, facials, body massages, foot massages, and Spa.

Website: www.bonjourhk.com

Aster Cosmetics Center

Aster began to take an interest in cosmetics from the 1970s, specializing in the wholesale markets for cosmetics and perfumes. Aster essentially deals with retail and wholesale activities for skin products; perfumes and cosmetics; hair and personal care products and accessories. In Hong Kong, Aster has 8 retail outlets, 2 beauty salons and operates a wholesale business.

Website: <http://www.aster.com.hk/?lang=1>



SALES CHANNEL: MAJOR DEPARTMENT STORE

Lane Crawford

Lane Crawford is a global luxury fashion, beauty and lifestyle department store that offers the largest designer portfolio, carefully selected by Lane Crawford's team of experts who travel the world selecting the very best items for its customers. They have large flagship store with different department, includes fashion and beauty, featuring famous designer brand, such as Dior, Armani, Givenchy and other European luxury brand.

Website: <https://www.lanecrawford.com.hk/beauty/>

Beauty Express - Facesss

Since 2007 in Hong Kong, Beauty Express has grown exponentially to establish itself as a leader in beauty, wellness and fashion across the Asia-Pacific region. Focusing on retail and distribution, They have over 80 stores that covering key locations such as Hong Kong, Singapore, and Macau. In addition to these numbers, Beauty Express also manages a bespoke loyalty scheme for its customers, with a growing active membership of over 300,000 people to date. They've acquired exclusive distribution rights and developed key partnerships with international leading brands. This includes Premier by Dead Sea Premier, Salt Spa concept by Premier, Gold Elements, Gratiae, amika, and Trésor Rare De Premier. Facesss features over 100 international skincare, makeup, body & hair and fragrance brands, nestled in Ocean Terminal, Queensway Plaza and Times Square.

Website: <https://www.beautyexpress.com.hk/>

SOGO HONG KONG CO., LTD (or "SOGO")

SOGO commenced its operations in 1985 and is the largest Japanese-style department store in Hong Kong. It is one of the major shopping landmarks for both local Hong Kong people and international tourists. SOGO is characterized by the "one-stop shop", "shop-in-shop", "Japanese style" and "customer oriented" concepts, offering quality goods, services and customer convenience within a comfortable and pleasurable shopping environment.

Website: <https://www.sogo.com.hk/cwb/en/shopping-directory/shop-details.php?id=850>

DFS Group

DFS is the world's leading luxury travel retailer. Established in Hong Kong in 1960, DFS Group continues to be a pioneer in global luxury travel retail, offering its customers a carefully curated selection of exceptional products from over 700 of the most desired brands through 885 boutiques on four continents. Its network consists of duty free stores located in 11 major global airports and 21 downtown T Galleria locations, as well as affiliate and resort locations. The Group is privately held and majority owned by the world's largest luxury conglomerate Moët Hennessy Louis Vuitton (LVMH), alongside DFS co-founder and shareholder Robert Miller. In 2019, more than 176 million travelers visited DFS stores. DFS is headquartered in Hong Kong and has offices in Australia, Cambodia, China, France, Indonesia, Italy, Japan, Macau, New Zealand, Singapore, United Arab Emirates, United States of America and Vietnam.

Website: <https://www.dfs.com/en/hong-kong>



LOCAL ASSOCIATIONS

The Cosmetics and Perfumery Association of Hong Kong Ltd.

The Hong Kong Cosmetics Industry Association was established in 1980 with the purpose of promote cosmetic industry, build a broader development space to the Mainland and neighboring countries, gather opinions and report to government departments relevant policies affecting the industry, promote to the public about the operation and development of the industry. Their members from different position in the industry, covering retailer, distributor, hair stylist, makeup stylist, nail art retailer, from Fortune 500 companies to SMEs, from former employees to multinational presidents, from beauticians to product formulation engineers, .

Hong Kong Beauty and Wellness Association (HKBWA)

Hong Kong Beauty & Wellness Association (hereinafter "the Association") strives to unite beauty product manufacturers, distributors, spa owners, beauty and wellness consultants and professionals to express points of view on behalf of them. It is also dedicated to establish common interests to promote the welfare of the industry through a joint effort among its members. All of the interested beauty and wellness outlets or passionate beauty practitioners are eligible for membership registration.

TRADE SHOW

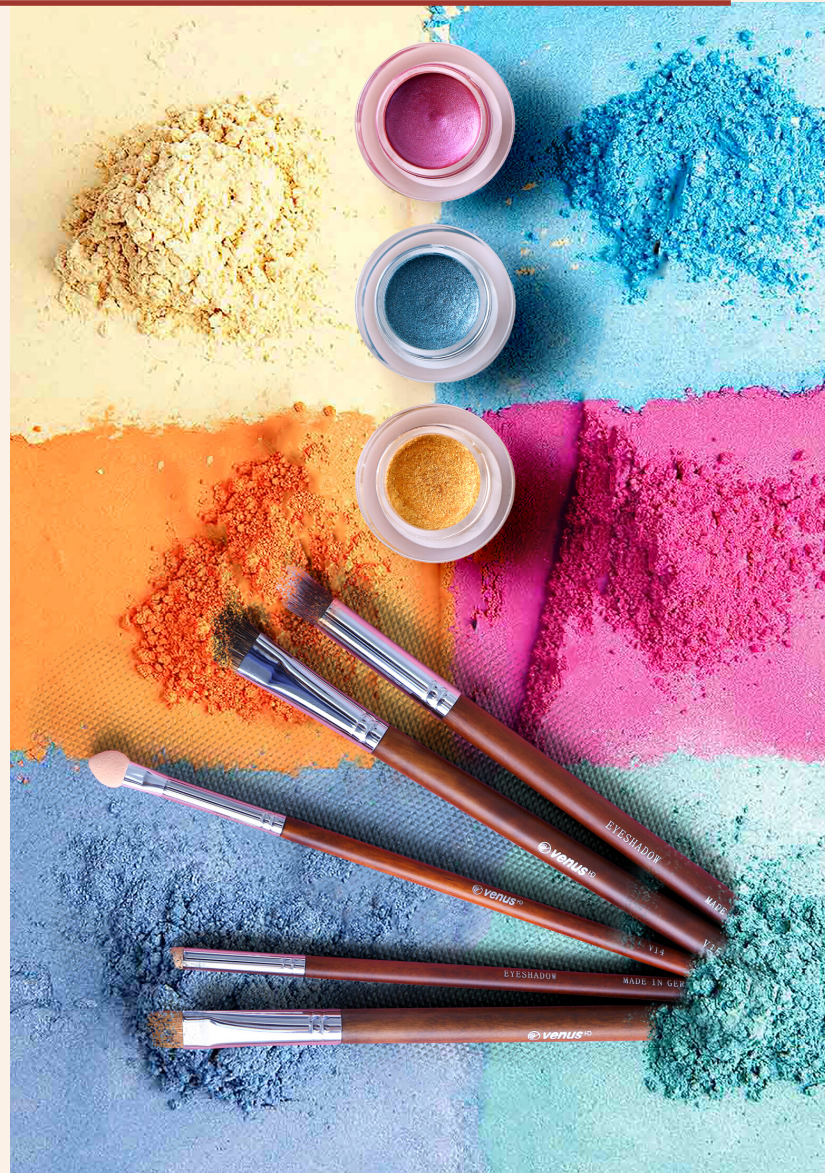
COSMOPROF ASIA

**BolognaFiere Group &
Informa Markets**

Cosmoprof Asia is today the leading international trade show in Asia for the entire beauty industry. The fair is held strategically across two venues: in the AsiaWorld-Expo (AWE), showcasing raw materials and ingredients, contract manufacturing and private label, machinery, primary and secondary packaging and in the Hong Kong Convention and Exhibition Centre (HKCEC), hosting exhibitors of finished products ranging from cosmetics & toiletries, natural & organic, beauty salon, to hair salon and nail and accessories. The Fair usually takes place in November, each session lasts three days.

Website / Social Media

<https://www.cosmoprof-asia.com/en-us/>



Natural and Organic Products Asia

Informa Markets

Since 2014, Natural & Organic Products Asia (NOPA) has been the leading trade platform for all things natural and organic. The segment is dedicated to "Natural, Organic, Beauty Food, Beauty without Cruelty, Body & Skin Care, Free From, Fairtrade, Color Cosmetics, Hair Care, Personal Care, Suncare, Male Grooming, Mother & Child and Perfume". The 2017's show attracted over 250 exhibitors from more than 31 nations & regions, showcasing thousands of natural, certified, healthy, wholesome and organic products in Hong Kong.

Website / Social Media

<https://www.naturalandorganicasia.com/about-noa/>



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T. +852 2846 6500
F. +852 2868 4779
hongkong@ice.it
www.ice.it

Italian Trade Agency



@ITAttradeagency



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@itatradeagency

