

Shiseido's strategy for success in Asia Pacific



Later this year, Shiseido will unveil 'S E N S E', a multi-sensorial art installation created in collaboration with Jewel Changi Airport and teamLab

Following the opening of the Shiseido Travel Retail's global office in Singapore, Asia Duty Free Magazine asked Philippe Lesné, Shiseido Travel Retail President, about the strategy behind this decision and plans for the future.

Why did you pick Singapore as your Asia Pacific base?

As one of the markets with the greatest growth potential, Asia Pacific is where we are focusing our core activities, and Singapore is Asia Pacific's most strategic hub. The city state has global status as an economic centre with world-class facilities and a cosmopolitan environment that provides a favorable atmosphere for the exploration of ideas and experimentation.

With Shiseido Travel Retail offices located in Paris, Miami, Dubai, Hong Kong and Shanghai, this Singapore office represents our strategic home in our region. Furthermore, when we chose Singapore for Shiseido Travel Retail's headquarters back in 2015, it was with the aim of capitalizing on the opportunities in the region and increasing our market share. Since then, we've enjoyed phenomenal growth in Asia Pacific.

Moving to the heart of Singapore's Central Business District is part of Shiseido Group's VISION 2020 corporate transformation strategy, as the company transitions to a new global management structure that delegates authority and responsibility to regional headquarters around the world. This new

modern office for Shiseido Travel Retail aims to be a place of innovation, creativity and collaboration for our global team, to inspire new ways of thinking and find fresh methods of engaging our hyper-connected travelers and pioneering new forms of 'retailtainment'.

What are your plans for 2019

In 2019, we look forward to more exciting collaborations with our key partners and the continued growth of Japanese Beauty. We are particularly looking forward to the unveiling of 'S E N S E', a multi-sensorial art installation created in a Shiseido-led collaboration with Jewel Changi Airport and teamLab.

This will be a major highlight for our business. It aims to transcend the traditional 'retailtainment' experience by taking visitors on an immersive and engaging journey. This is beyond story-telling, it's story-living.

How has Shiseido Travel Retail grown in the region in recent years?

The Asia Pacific region is projected to continue leading growth for Shiseido Travel Retail; current forecasts estimate that its beauty segment represents a potential market size of US\$26 billion by 2021.

Make-up is where we are excelling, and we owe this largely to the current make-up boom in China and the consumer market insights that we've implemented to capitalize on the opportunity. The Chinese consumer is our main focus. Last year, Chinese travelers accounted for a large share of our business in markets such as Korea, Japan, Thailand, Hong Kong and Singapore. With outbound travel expected to increase significantly within the next decade, especially in the region, this market offers excellent potential for sustained growth.