## DFS' Christophe Marque sees a great resurgence in the Japanese skincare industry



Christophe Marque, Senior Vice President of Beauty and Fragrances at the DFS Group observed an increased popularity in Japanese skincare brands

DFS is observing signs of a great resurgence in the Japanese skincare industry.

Christophe Marque, Senior Vice President of Beauty and Fragrances at DFS Group said: "Customers are rediscovering Japanese technology, particularly in skincare development. With a host of new Japanese brands being introduced in the travel retail sector, customers are spoilt for choice and are paying close attention to ranges and products of high quality and signify a breadth of knowledge of their evolving needs."

A renewed interest in Japanese cosmetic products

In recent years, Japanese cosmetic brands have experiencing greater demand from consumers. Cosmetic brand Shiseido's 2018 annual report highlighted "continued significant sales increase in Japan, China and travel retail." Its 2018 travel retail sales also recorded a 35.4% increase year-on-year and net sales reached 87.9 billion yen (US\$828 million). Japanese medical cosmetics brand Dr Ci:Labo, which was acquired by Johnsons & Johnsons in January 2019, also sees travel retail as a key growth channel for the company.

In response to this emerging trend, DFS has introduced Japanese luxury beauty brand <u>POLA</u> to its Macau stores last year. The 90-year-old brand is known for its premium anti-aging skincare products that are developed based on real data on skin.

Growing influence of fashion houses in the make-up industry

Another key trend that Marque observed is major fashion houses venturing into the cosmetics industry.

"With powerhouses such as Chanel, Dior, Yves Saint Laurent and Armani having solidified their presence in the beauty sector, brands such as Gucci and Burberry have also accelerated their efforts in developing make-up and beauty lines," Marque shared.

To leverage on this fast-growing trend, DFS added Gucci make-up to its portfolio of offerings, in addition to others popular brands such as <u>Fenty Beauty by Rihanna</u>, IPSA, Le Labo and Christian Louboutin.

Catering to the rising expectations of discerning customers

Given the competitiveness of the beauty and fragrance sector, one of the ways retailers can maintain their advantage is by providing exceptional service. Marque said DFS takes tremendous pride in providing a world-class experience to their customers.

"Our team of experts seeks to understand what our customer is after and strives to develop alongside brands, exclusive products and lines tailored specifically for the discerning traveler," he explained.

"It is also important to offer a wide spectrum of products – from beauty essentials to the latest trends we have identified, enriching our portfolio with niche brands or ones that are only available at DFS, or limited-edition or first-to-launch products," he adds.

Using digitalization to improve customer experience

Digitalization is another important way DFS is wooing customers.

For instance, at DFS' sixth annual beauty campaign "First Class Beauty" campaign, the retailer partnered Chinese image editing software Meitu for the second time to develop the Meitu Magic Mirror and Meitu Genius.



Hong Kong KOL Jessica Jann plays with the Meitu Magic Mirror at T Galleria by DFS in Hong Kong during the First Class Beauty event

Through the Magic Mirror, customers can "try" different shades of lipsticks and sunglasses available at DFS. The artificial intelligence technology also provides recommendations on the best shade of lipstick, eye shadow, blush based on the customers' features.

"This is an enhanced customer experience and provides a personalized touch to the shoppers' retail experience whenever they visit our stores," Marque explained.