Exclusive Interview: Amorepacific's TR Unit EV, Michael Youngsoo Kim

As Amorepacific takes full advantage of its double victory at the Travel Retail Awards with a high profile promotional and marketing campaign, Michael Youngsoo Kim Amorepacific TR Unit EVP tells *TRBusiness* that it continues to focus on its luxury skincare portfolio and insists that it has not been affected by a renewed crackdown on daigou traders.



### How would you describe 2018 and 2019 so far for Amorepacific in travel retail?

We are growing in line with the cosmetics segment in travel retail, and we have also entered new markets such as Europe, Australia and India, which mean our brands are now readily accessible for travellers worldwide. Furthermore, we have been updating our sales strategy as the number of Chinese outbound tourists grows and their travel habits diversify.

## Can you tell us which brands/product launches have enjoyed standout performances in recent months? I know the Sulwhasoo launch was particularly significant.

With the increasing demand for high-end skincare products, Sulwhasoo has indeed enjoyed growth; especially its star product, First Care Activating Serum. Customers are also showing more interest in Sulwhasoo's anti-aging ranges such as Concentrated Ginseng Renewing and Timetreasure lines. Laneige is also seeing an increased demand for its Water Bank line, makeup base products and sleeping masks mainly from Chinese and ASEAN customers. Exclusive Interview: Amorepacific's TR Unit EV, Michael Youngsoo Kim



As reported, Amorepacific is heavily promoting its Travel Retail Award wins in makeup and skincare - Sulwhasoo and Laneige - with major marketing and promotional activities in partnership with its travel retail partners.

## With such a huge number of Asian skincare brands flooding the market in global travel retail, with new brands popping up all the time, how does Amorepacific maintain its position?

Amorepacific's strengths lie in our deep understanding of global customers, long-proven product quality and therefore they trust and highly value our brands. Sulwhasoo and Laneige especially set themselves apart because they began their global operations in 2002 and are now present in 15 countries around the world. Our customer base has grown stronger ever year. Working in synergy with our global business, we are delivering greater benefits and customer experiences to travellers and customers all around the world.

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# What are Amorepacific's key priorities in travel retail for full year 2019 and 2020?

We believe that millennials, digital and the luxury skincare segment will be new growth drivers for the travel retail market. To cater to the changing market needs, we plan to enhance our digital marketing and provide new brand experiences to make travel retail more than just a sales channel.

Rather, we are aiming to offer dedicated and bespoke experiences as well as special products to satisfy the needs of these customers, particularly millennials. Plus, in order to strengthen the presence of our luxury brands, we plan to amplify our advertising at the worlds leading airports, including Changi Airport, Hong Kong International Airport and Incheon International Airport. We hope to raise the profile of our luxury beauty portfolio including products such as Sulwhasoo First Care Activating Serum and Concentrated Ginseng Renewing and Timetreasure lines.

## Which region is currently AmorePacific's best-performing?

The travel retail market is rather borderless, not confined to certain regions. However, we have performed particularly well in the Asia Pacific market over recent years. We are doing well in Korea, China, Thailand, Vietnam and Indonesia and we will keep driving our performance in these regions.



Michael Youngsoo Kim Amorepacific TR Unit EVP.

## What is your view on the crackdown on daigou trading and the introduction of the new ecommerce law in China from January? Does this concern you?

As with the rest of the industry we have carefully monitored the market impact of new e-commerce laws in China. We have not seen an immediate impact and therefore are continuing to move forward with our operations as usual; developing travel retail exclusive services and products that embody our brand values to fulfil needs of travellers.

### What is your opinion of Alibaba's Fliggy Buy platform? Friend or foe of travel retail industry?

The advancement of digital technology can be quite exciting as it is bringing paradigm shifts in all aspects, including consumer behaviour and retailing. To keep up with customer needs and new digital platforms, Amorepacific closely monitors emerging platforms and new needs in customers and retail. As the head of Amorepacific's travel retail business, I aim to respond quickly to these changes by enhancing digital marketing on our platforms as well as coming up with traveller exclusive services to satisfy our customers.