



Australian Government
Austrade



Australian Fashion In Hong Kong

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Hong Kong – The Market

- A SMALL but important market
 - 7 million people & 23 million tourist
 - A icon city with significant exposure
 - Low sale volume but high brand asset → lead to other markets
- Often considered as FIRST & Signature Market for fashion in Asia
 - Favourable trade environment
 - Free Trade Market
 - High consumption power
 - Similar culture and weather condition as other Asian markets
 - Trial & Gateway to other Asian market
 - Trend setting for south Asia region.
 - Attract main fashion retail chains to set up stores
 - Asia flagship stores



Hong Kong – The Market

- A very diversified and extremely competitive market
 - High, mid-price to low end
 - Also strong local brands – Esprit, Nine West, Toppy, G2000, etc
- Extremely brand conscious market
 - Following trends from major fashion markets – London, Paris, New York, Tokyo
- Low brand loyalty
 - Short brand lifespan
 - Normally 2 seasons to determine if the label stays.
- Still a “Shopper’s Paradise” for 23 million tourists, mainly Mainlanders
 - Lower retail price as a favour of free trade
 - Much wider selection of labels



Hong Kong – Consumers

- Preference for imported labels and styles
- Highly aware fashion trends overseas
- Highly influenced by media
 - Newspaper, Weekly Journal, Monthly
 - Celebrity impact
- Willing to try new labels as long as chic / celebrity endorsed → Low brand loyalty



Hong Kong – Consumers

- General consumer preference in Hong Kong
 - Light weight material (cool but not cold winter)
 - Tend not to wear very bright colour and colourful patterned design
 - Youngsters – chic & contemporary lines
 - Young professionals / executives: highly brand conscious and link high price for prestige & image



What Work for Hong Kong?

Quote from ElectricSekki, Aus. Fashion Agent

- Hong Kong is a Mecca of fashion brands
 - Buyers very well versed on what's happening in the international fashion arena
 - Buyers still tend to be lead by what happens in New York, Milan and Paris
- Australian labels are seen with an effortless chic style about them that can fit most contemporary markets in Asia, if priced appropriately
 - Made in Australia? Made in China?

What Work for Hong Kong?

- Australian fashion works well in Hong Kong with the following.
 - Brands have its own identify and signature, better chance.
 - A good international stockiest list including leading department stores from around the world
 - Credible international press
 - Celebrity press or endorsement
 - Local PR company to push brand visibility



Hong Kong – Major Retail Icons

- Major Shopping Districts:
 - Central, Admiralty, Causeway Bay, TST, Mongkok
- Major Department Stores
 - Lane Crawford,
 - Seibu,
 - Harvey Nicole
- Multi Brand Stores:
 - High End
 - Joyce / Swank
 - Street Wear
 - I.T. / Bauhaus / D-Mop / Sistyrmoon, LCX, etc
- Shopping Centres available above almost all MTR stations – offer extreme convenience to consumers



Australian Labels in Hong Kong

- Designer Labels
 - Ksubi / Collette Dinnigan / Sass & Bide / Easton Pearson
 - Alannah Hill / Alice McCall / Kirrily Johnston
 - Chronical of Never / Fleur Wood / Life with bird
 - One Teaspoon / Zanrobe / Something / Insight
 - Pete Versus Toby / Hussy / Dion Lee / Beat Poet
 - Romance was born / Australian Love Collection.....and more
- Surfing & Sport Fashion
 - Running Bare
 - Seafolly / Tigerlily
 - Quiksilver / Billabong
 - Rip Curl....and more



Hong Kong – Market Entry

- Best enter the market through agent or distributor
- Department Stores & Multi-brand Retailers – Options to sell direct (high priced & exclusive goods) or go through agent. Often an agent is preferred.
- Key buyers regularly visit major fashion weeks in Milan, London, Paris, and New York → potential to engage agents in these cities to also capture opportunities to show to Hong Kong buyers
- Exclusivity is often sought, due to the limited market size.

Problems to consider

- Off-Season Supply & Delivery
 - When exporting to Northern Hemisphere,
"Some Australian designers are not equipped with exporting to Hong Kong and understanding the delivery timing" (by Lane Crawford)
- Price point is important to break into the market
 - A bit cheaper than European labels as start price point to attract consumer to try new labels (as suggested by Seibu buyer)
 - Without brand awareness, consumers hesitate to pay high price for "Made in China"
- Brand building activities
 - Marketing plan and budget in place?



Doing Business in Hong Kong

- Good websites, for initial evaluation of your products
- But slow / low response to cold calls & fax – Austrade formal introduction
- Buyers prefer meetings face to face, and see the products. (agent can help)
- Respect Business Cards
- Be Punctual
- Acceptable to call by first name
- First approach may not be promising.
- Follow up after meeting/trip
- Keep contact /sending latest catalogues, without pushing too hard
- English widely spoken in business

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