

# ASEANbeauty 2019 generates over THB1,000 million



The Thai beauty market is bustling at the beginning of the year. ASEANbeauty 2019 generates over THB1,000 million, more than 5% in the total 2019 market, ready to show the potential of the cosmetics market, which is over THB300-billion worth

ASEANbeauty 2019, the largest exhibition of beauty and health products in the region, reveals the potential of the bustling Thai cosmetics market. Over 9,865 participants from 47 countries around the world came to the show, together with more than 2,776 partners and businessmen that benefitted from the Business Matching programme. The event generated more than THB1,000 million, raising Thailand as the leading ASEAN cosmetics market as the Thai cosmetics market continues to trend its “anti-ageing” style, which was well-received by the ageing society. To cope with the consumer behaviour of the elderly, Thai cosmetics swept over 40% of the neighbouring market area, allowing Thailand’s cosmetics market to surpass 300 billion in 2019, confident to grow by 5%.

Ms Anuchana Vichvech, Group Director, UBM Asia (Thailand) Co, Ltd, revealed that the success of ASEANbeauty 2019 is another important event that indicates the growth of the Thai beauty market. At the event, booths showcased beauty and health products, whilst one booth highlighted innovations in beauty technology from more than 350 leading organisations. In attendance were many exhibitors from several sectors such as large entrepreneurs, SMEs, businessmen from around the world and start-up groups, totalling to more than 9,865 people. This shows the potential and acceptance from many countries that Thailand has truly elevated itself to the centre of the ASEAN beauty market.

ASEANbeauty 2019 Health and Beauty Exhibition, the most popular in the region, was held on 2-4 May 2019 at the BITEC Exhibition and Convention Centre, Bang Na. During the three days of exhibition, beauty entrepreneurs and businessmen from around the world were able to meet and network through the Business Matching programme, with more than 2,776 important pairs filled up.

ASEANbeauty 2019 featured beauty and health products worth over THB1,000 million from many quality exhibitors. There were also a knowledge arena, seminars, demonstrations, workshops and a testing zone.

Mrs. Ketmanee Lertkitcha, President of the Thai Cosmetics Manufacturers Association, revealed that “Thai cosmetics business is considered a very strong business line. We can easily observe that the market value of cosmetics in 2018 was up to THB300 billion, divided into the THB1.8 billion in the domestic market and another THB1.2 billion in export value. Also, neighbouring ASEAN countries such as Vietnam, Cambodia, Laos, the Philippines and Indonesia were confident of Thai products, as more than 40% of their cosmetic products are from Thailand.”

Apart from the excellent quality of Thai cosmetics, they are popular throughout ASEAN. Another strength of the Thai cosmetics business is its location at the centre of the ASEAN region, serving as a trading hub that connects with neighbouring nations in all directions. Traders can use Thailand’s transportation route to many countries. In addition to ASEAN countries, the Asian giants are equally interested in Thai cosmetics. In Japan, even though there are many local quality brands, still many

Japanese customers prefer Thai brands because they believe Thai products are of good quality and inexpensive.

Khun Ketmanee provided additional information that China is one of the big customers of Thailand. In addition to the products that Chinese people prefer to buy as they tour Thailand, they also trust Thailand to host the Shanghai Beauty Expo, which is also held in China. As for the South Korean market, Thai products are also popular because most Korean cosmetics generally focus on superficial fashion trends and most trends change fast, mostly products and packaging that are focused on the youth. Therefore, when measured by a group of South Korean customers based on product quality, Thai cosmetics will be the first name that they look for and provide widely accepted quality.

“The reason why the Thai beauty market is growing continuously every year is that the players in the market are highly competitive. Every ingredient and every process helps create new innovations and these have helped increase the choices for consumers, which in this year, manufacturers in the market have products that can meet a variety of needs. Most trends, however, focus on natural products, gentle skincare, wrinkle reduction, skincare for juicy water, skin whitening and so on. In addition to these trends, another problem that players have already started to create is the anti-ageing trend and getting into the ageing society of Thailand. Older consumers in Thailand have changed their behaviour so that they now take care of themselves better and care more for their personality.

The growth of the Thai cosmetics market, making this business highly competitive both with old players and new players, has made foreign players more fierce. One of them is Chung Hong Woo, the president of from South Korea, manufacturer for face care products, including silk for nose augmentation, skin lifting and tightening, and wrinkle reduction. Mr. Chung revealed that “Skin Meditation is a major silk producer in South Korea and we also export to many countries around the world, such as China, Russia, Japan, Indonesia and Hong Kong. The products that will be sold this time are products that have been upgraded to the next level, both in durability and form, helping the products to withstand heat and reduce quality loss. As a player in Thailand, today is a great opportunity for us because Thailand is a large market in ASEAN. Important consumers and doctors in Thailand have a good understanding of the product. We are confident that the readiness in the Thai market will help the business of Skydivez to grow.”

Another new player in Thailand is Mr. Wattana Damrongsapaisan, Chairman of the Board of Directors, Pretty Company Limited, manufacturer and distributor of cosmetics brand, Kisa. He said, “Kisa is a new company that has been launched for about two years. Kisa’s products are both premium and mass. Most of the premium products will focus on penetrating the Chinese market, including Chinese tourists who come to Thailand because we see Chinese customers behaving quite like Thai people already. Many people are open to accepting new products and looking for more information about the products from the internet, reviews and bloggers. Also, they have high purchasing power, causing many manufacturers in Thailand to compete in this market segment against us. We see that Thai manufacturers are a more formidable competitor than Chinese manufacturers because most Thai products have received a lot of confidence from China, but the strength of Kisa’s competitive advantage is that we have combined quality ingredients from many places to produce them by ourselves in our Thai factory. With the label ‘Made in Thailand, Chinese consumers believe in the products faster.”

In addition, Ms Vichvech commented, “ASEANbeauty 2019 will be a standard for the growth of the cosmetics market. In the event, more THB1,000 million was made. In addition, in 2018, the cosmetics market has grown by about 5%. It is expected that in 2019, the cosmetics market value will increase again by about 5%, which is a satisfactory figure. However, Thailand has an uncertain

political situation that could scare investors from fully investing. The state must take advantage of being an ASEAN hub by supporting ongoing trade fairs. These jobs will help the SME group to have more sales space and call for investors and foreign traders to visit the event; let them see the potential of Thailand clearly.”