



BEAUTY & THE BRAND

COMPANIES in the spa and beauty industries arguably have it tougher than others. In addition to retail woes – whether in terms of rising rents or ensuring that they have the right marketing programmes in place to reach their customers – they are also saddled with manpower concerns. Hiring and retention aside, their staff often have to be trained to

handle specific functions required.

However, home-grown brands Adonis and Spa Esprit Group, far from being mired, are flourishing and actively seeking expansion opportunities. Spa Esprit Group has under its beauty arm brands including Spa Esprit, Strip and Browhaus. We speak to the women behind the brands to find out more.

FORMIDABLE GROWTH STORY

SPA Esprit Group, founded and conceptualised by Cynthia Chua, has grown at a brisk rate. Today, the home-grown label encompasses 18 brands across the beauty, lifestyle and food and beverage businesses, with over 100 stores across the globe.

Its businesses are present in 12 cities including Singapore, New York, London, Shanghai, Hong Kong, Manila, Kuala Lumpur, Jakarta, Bangkok, Davao, Penang and Beijing.

It is a formidable growth story given that Spa Esprit Group's beginnings took root in the form of a single Spa Esprit outlet in Holland Village just 20 years ago. The Holland Village outlet has since moved to bigger premises in Dempsey while the group has aggressively pursued expansion in other areas of its business.

Its beauty arm comprises two Spa Esprits located in Singapore, as well as Strip and Browhaus. Strip is Singapore's first dedicated waxing salon and was opened in 2002 while Browhaus is a brow-grooming salon. Men's grooming store We Need A Hero was subsequently opened in 2013.

The company has taken a blended approach in its expansion plans. Strip and Browhaus outlets in Bangkok, the Philippines and Indonesia are franchised while those in London, New York, Hong Kong, Malaysia, Shanghai, and Beijing are joint ventures.

"Some of the cities that we feel are really strategic to build a global brand are the cities we are keen to explore a joint venture franchise. These are cities we are familiar with and have an operations team that can be deployed to this city for

support function. Other cities that are on purely franchise models are cities we are not as familiar with," says Ms Chua.

"In whichever model, the basis is to have the right partner that understands the brand values and has the same passion, vision and drive."

Part of what makes Spa Esprit Group's brands stand out is that despite the fact that there are numerous outlets for the different brands, effort is taken to ensure that the outlets are not cookie-cutter models.

"Despite having numerous stores across the globe, we put in loads of effort to ensure that we offer creative, fun campaigns and a different interior concept for every store worldwide, providing the customers with an exciting experience at each visit. Every little detail counts, from the smell, look, feel and sound of the store. Not only does the treatment need to be amazing, the experience is also top priority," says Ms Chua.

Strip for instance, uses humour and fun to tackle a subject that is relatively intimate and hard to communicate. "The designs and creativity are pervasive in the brand. We look at the beauty store like a fashion store with new campaign every quarter so there's constant discovery and newness to the brand. This is how we rejuvenate and move the brand along," says Ms Chua.

This spirit of innovation extends beyond concepts to products. And while efficacy and ease of use are key, a lot of effort goes into designing the packaging. The Brow Resurrection aftercare kit – a camera-shaped packaging – for instance has been featured in design magazine *Wallpaper* for the creativeness of its packaging.



Ms Chua acknowledges that while internationalisation has a steep learning curve, each experience is cumulative. "It allows you to understand each layer of the problem better, and there is knowledge you can transfer to each city."

Understanding the market and timing are important factors that Spa Esprit Group keeps a keen eye on. In terms of advice that she would give to other SMEs taking the first steps to internationalise, Ms Chua says: "Do ensure that your SOPs (standard operating procedures) and structure are sound. Use your home city as the testing ground, and build a solid team and brand before growing it overseas. Delve deep and really get to know the city that you are targeting, have good local partners that share the same vision and drive."

As for its own group of beauty brands, Spa Esprit Group is looking to target some outlets outside London, in Berlin and hope to grow more in New York, says Ms Chua. ■

GROWTH PATH
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NOT IN A RUSH

HAVING built up the brand cache for Adonis, founder Ann Lee is ready to take the company overseas beyond Singapore and Malaysia. But she is not in a rush, and wants to be sure that she has found the right joint venture partner before she takes the plunge.

"I am often asked 'where do you want to go?' Anywhere in the world, as long as the partner is right. There are people talking (with us), but they want to take out the whole business and do it there. That's not my objective," says Ms Lee who is the group chairman of Adonis Beauty Studio.

The Malaysia-born Ms Lee opened her first shop in Singapore at Lucky Plaza in 1987 at the age of 28.

It wasn't long before she found herself expanding her shop at Lucky Plaza and opening a new one in Johor Bahru, followed by another one in Katong.

To date, there are 23 Adonis outlets in both Singapore and Malaysia. They are all owned and run by Adonis.

"I don't want to sell off the brand for some franchise fee, and in the end when you go back and look for the brand, it's not the same... Everyone tells me that for this kind of business you have to go in and exit quickly. To me, that's not necessarily so because the brand equity can be expanded. It can be made into a lifestyle."

Adonis incorporated this “lifestyle” aspect to its business in 2014, when the home-grown family brand took a marked step away from its area of expertise and opened a boutique hotel at Purvis Street. Unlike other hotels that provide basic toiletries, Adonis Hotel goes a step beyond. It relies on its beauty arm to formulate the facial washes, shampoo, shower gels, soft peeling gels and body moisturisers with which it stocks its rooms.

Indeed, a lot of time has been spent strengthening the company’s foundations. In addition to growing the company’s operations, Ms Lee established a training academy, the Adonis First Academy of Cosmetology. While it was initially meant to be a training ground for Adonis’ own staff, it quickly evolved into something more.

“(The industry) is very very short of beauticians . . . (partly because) retail is not a sexy business,” she says. Having a training centre extends the pipeline of human talent not only for Adonis, but can also potentially ease the recruitment pains for potential partners, she points out.

A large proportion of Adonis’s value proposition lies in its know-how. Apart from product and services knowledge, Ms Lee takes great pride in the company’s use of technology to mine consumer data from all available touchpoints. From the minute that customers log onto the Adonis portal and send a question – even if they do not follow up with a physical visit – the company starts collating a profile. They also collate data on

requested services during each session so as to improve the customer experience.

“The situation is this – high rental, high staff turnover, and you can’t get people. So you have to maximise the resources you have. The know-how and flow is quite similar except for the personal touch . . . (so our staff) are trained in that. Instead of just following the standard operating procedure where the customer comes in and you do this and you do that, we train them to read their customers.

“We’re very particular about our customer experience with us. It’s before they enter the shop, while they are with us in the shop, and after they leave the place. (Because of this) there are customers who still ask us to send products to them after they go back to Australia and the Middle East.”

With such a strong base, Adonis is not in a massive hurry to expand. The Philippines and China are markets that Ms Lee says she is looking towards, but she is also quick to add that there is no market that she is not keen on.

“I wouldn’t deny one of these days you may find Adonis in Europe, maybe in Japan. So long as I have the right partner with the right mindset.” ■

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MAKING SURE ►

*Ms Lee wants to be sure
that she has found the right
joint venture partner before
she takes the plunge*



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