

of My Skin Identity by integrating a chatbot into the tool. Skin Inc is also experimenting with ways to incorporate augmented reality into My Skin Identity, to give customers a more immersive and interactive online experience.

A global digital strategy

Digital marketing and e-commerce played a key role in the company's expansion, with Ms Tan citing e-commerce as a solution to overcoming geographical boundaries and reaching new markets.

Through data obtained from its e-commerce transactions, Skin Inc is able to assess a market's potential before considering expanding there, thus saving time and money. For instance, the company is able to measure customer traffic, visitor-to-customer conversion rate, average order size and repeat purchase rate to understand customer behaviour, buying habits and preferences. The company also generates engaging content on social media, such as Facebook and Instagram, to draw people to its website and get them interested in Skin Inc's products. It also invests in search engine marketing (SEM) and search engine optimisation (SEO) to attract customers.

"We want people to easily find us online using certain keywords, so digital marketing tools like SEO and SEM help ensure that our website appears at the top of search platforms when users search specific terms," explains Ms Tan. In 2015, Skin Inc was featured as a hero case study for Google's "Go Global" campaign.

In addition, the company works with top global influencers, such as Aimee Song, Michelle Phan, Chiara Ferragni and Lindy Tsang, to expand its reach to new customers. "Their comments and feedback about our products resonate with their followers," says Ms Tan.

All these efforts have had a positive impact on the company's online sales. In 2016, it doubled the revenue from its online store, compared to 2015.

Forging the right partnerships for expansion

The company followed a phased approach towards expansion. "We first focused on strengthening our operations in Singapore. Only after that did we start looking at other countries in the region," she explains.

The biggest breakthrough in Skin Inc's expansion plans was securing a



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Ms Sabrina Tan
Founder & CEO, Skin Inc

partnership with Sephora, which has stores in more than 30 countries. The partnership has since helped enhance Skin Inc's visibility in new markets. "Having our brand associated with a credible name like Sephora has catapulted us into the global spotlight, adding a major boost to our sales and profits," says Ms Tan.

Through its globalisation efforts, Skin Inc will continue to promote the concept of skincare customisation and transform the way people care for their skin. It is also hoping to raise greater awareness of home-grown skincare products internationally, which is in line with the Committee on the Future Economy (CFE)'s recommendation to deepen awareness of overseas markets to prepare for the next phase of internationalisation.

Preparing for the future

When asked about challenges the company faced in getting to where it is today, Ms Tan says: "The initial stages of brand development were not easy as we had to compete with other more

renowned brands in the market."

Skin Inc used SPRING's Capability Development Grant to build its capabilities in the areas of brand development, retail concept innovation and digital marketing, as well as adopt e-commerce. Today, it is a formidable player in the global beauty scene, with market presence in 100 cities worldwide.

It also has more than 350 distribution outlets across Asia, Europe and America, as well as online, such as through *iloveskininc.com*, *sephora.com*, and appointed e-tailers.

Overall, Ms Tan, who is also a member of the SME Deep-dive in the CFE sub-committee, believes that overseas expansion can be both exciting and daunting, especially for SMEs. "Businesses should acquire knowledge of regional and global markets, such as through consultants and seminars, before deciding which market to expand into," she advises.

"In this digital age, companies should be prepared to go global much sooner than they had previously planned. That's why it is important to constantly innovate and push boundaries as a way to future-proof a business." ■

keytakeaways

- Being outward-looking and having a strong technology and global digital strategy will stand your business in good stead for the future.
- Visit www.spring.gov.sg/CDG to find out how SPRING can help you boost your brand and leverage technology to develop innovative products and services.