

Surfing the **Online Retail Wave**

Capitalising on Hong Kong's proximity to Greater Bay Area, KW-Commerce leverages the city as a sourcing and logistic hub for its eCommerce business.



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Alexander Steinkuhl
General Manager
KW-Commerce

Most international and multinational companies use Hong Kong as a springboard into Mainland China. KW-Commerce did the reverse. Founded in Berlin in 2012, KW-Commerce manages proprietary brands including KWmobile, Kalibri and Navaris and sells them exclusively through online platforms such as Amazon and eBay. Offering predominantly consumer electronics accessories and lifestyle products, in 2015 it opened a warehouse in Dongguan to store its more than 20,000 items. The company quickly realised it needed to be closer to decision makers, and the Hong Kong office of KW-Commerce was established in 2019 with two people. Today, its staff count hovers at 70 and there are plans to expand further. Its premise was designed to house a multiple of this number, reflecting the German company's ambitions for Hong Kong.

Close to the Right People

“Decisions affecting our supply chain are made by stakeholders of our partners – many of these people are based in Hong Kong,” noted Alexander Steinkuhl, KW-Commerce's General Manager. “By 2018, our founders knew we had to strengthen our connections to manufacturers' decision makers.” The Hong Kong office serves as the group's Asia hub, and handles sourcing, product development and supply chain management.

Hong Kong ticked all the right boxes for

KW-Commerce's regional hub. “It is easy to bring in international talent,” stated Steinkuhl. “It is easy to go through immigration. It is easy to integrate a business from Hong Kong with the Guangdong-Hong Kong-Macao Greater Bay Area. The government is open to corporations starting up new businesses. The rule of law is upheld. We can find talent in accounting and human resources. With Hong Kong's simple tax system, high government efficiency and the diverse professional services offered, we don't need a high staff count in accounting to be effective – and we can channel salaries saved towards hires in our core activities.”

Banner Year for eCommerce

Currently, with 450 staff globally, approximately half of them are in Greater China – 150 in Dongguan and 70 in Hong Kong. Steinkuhl acknowledges that the pandemic strongly impacted consumer behaviour and spurred exponential online shopping, which contributed to KW-Commerce's rapid growth. He recalls that it took only a day for his staff to adjust to working from home, as their daily workload is well supported by the city's comprehensive internet coverage and world class infrastructure. “The year 2020 was an amazing one for eCommerce,” he noted. “People spent more money online than ever before.” He adds that it is easier to recruit young talent in Hong Kong and scale up quickly due to the city's amiable business environment.

For Steinkuhl, Hong Kong offers a diversity that he enjoys fully with his wife and son: “After working in the city for a number of years, people from abroad like me are offered the opportunity to become permanent residents. People here like to work and achieve things. Hong Kong is a city that gives back what people put into it.”

KW-Commerce

- **Founded in 2012 by Jens Wasel and Max Kronberg and headquartered in Berlin, KW-Commerce is an international eCommerce company that manages proprietary brands with more than 20,000 lifestyle items and accessories for consumer electronics**
- **Its Hong Kong regional headquarters grew from two to more than 70 staff in a span of two years, and it currently acts as the company's logistics and sourcing hub**

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