

IN-STORE

El Palacio de Hierro strengthens Mexico City standing, revamps flagship

November 3, 2015



Logo representing El Palacio de Hierro's Mexico City flagship

By STAFF REPORTS

High-end retailer El Palacio de Hierro is underscoring the influence of Mexican ultra-high-net-worth consumers with the remodeling of its flagship in Mexico City.

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246 ▶**

Mexico has been on the cusp of gaining an emerging market label, but as Brazil's economic crisis worsens brands are increasingly looking at the North American country's potential. When El Palacio de Hierro reopens its doors on Nov. 6, the Mexico City location will become the single largest luxury department store in all of Latin America.

Investing in Mexico

Mexico's retail sales have surged to the highest point in three years, with purchases increasing 6.4 percent in the last month alone. With that in mind, the opening of El Palacio de Hierro will serve as a gateway for luxury brands looking to gain a foothold in the region.

El Palacio de Hierro, which in English translates to The Iron Palace, has invested \$300 million into its Mexico City flagship, the largest single project investment in the retailer's more than 125-year history.

Located in the Polanco neighborhood of Mexico City's upscale Miguel Hidalgo borough, El Palacio de Hierro's renovated flagship will offer 646,000-square-feet of retail space. The flagship's interior architecture for the ground- and first-floor was designed in collaboration TPG Architects while Gensler, the firm behind the Shanghai Tower, executed the second- and third-floor's interiors. The exterior facade of the flagship was designed by Javier Sordo Madaleno.

The flagship will include boutiques by Chanel, Louis Vuitton and Hermes. In addition, the department store will include never-before-seen concept stores by brands such as Montblanc and Gucci.

//

El nuevo cora zn de Polanco abre sus puertas este viernes 6 de noviembre. Ven a conocer
#ElPalaciodelosPalacios soy.ph/Polanco

Posted by **El Palacio de Hierro** on **Monday, November 2, 2015**

To cater to its ultra-high-net-worth consumers, El Palacio de Hierro's Mexico City flagship will include two helipads on its roof. This is thoughtful addition to its service offerings, as Mexico City is notorious for horrendous traffic.

The El Palacio de Hierro renovations created more than 7,000 construction and sales jobs for those living in the surrounding community. Due to its significance to the community, its reopening event has more than 6,000 confirmed attendees including the President of Mexico Enrique Peña Nieto and his wife in addition to retail C-level executives and international celebrities.

Owned by Grupo Bimbo, El Palacio de Hierro operates 8 stores in Mexico City and additional locations throughout Mexico's larger cities such as Monterrey, Puebla, Guadalajara, Acapulco, Cancun and Veracruz.

Brands across product categories need to begin positioning themselves for the coming consumer boom in Mexico, according to a May report by The Boston Consulting Group.

A confluence of positive socioeconomic trends are coming to fruition in the country, perhaps finally bringing the long-standing anticipation of a triumphant Mexico to a climax. Although the country still faces hurdles, retailers should be augmenting their store presence to capitalize on swelling consumer spending ([see story](#)).

© 2020 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.