

IN-STORE

## Isetan looks beyond airports for Ginza duty-free store

January 28, 2016



*Rendering of Japan Duty Free Ginza*

By JEN KING

Japanese department store Isetan Mitsukoshi has opened an airport-style duty-free store within its Ginza, Tokyo location to appeal to the increasing number of tourists visiting the country.

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

Isetan opened the Japan Duty Free Ginza store on Jan. 27 on the 8th floor of the Mitsukoshi department store, in partnership with Tokyo's airport authorities and the NAA Retailing Corp. As the first of its kind, albeit not likely for long since others are in the works, Japan Duty Free Ginza will offer foreign and domestic travelers outside Japan's main airports the perks of duty-free shopping.

"Featuring their products in the the Japan Duty Free Ginza in the Ginza Mitsukoshi department store is a great way to gain brand awareness and drive incremental sales for smaller luxury retailers that can't justify a dedicated storefront in the Ginza neighborhood," said David Naumann, director of marketing, [Boston Retail Partners](#).

"Japan has seen an explosion of tourists and last year foreign visitors hit a record 19.73 million," he said. "Providing foreign travelers more opportunities for duty free purchases, and in a more relaxing environment than an airport, will spur more purchases.

"The Ginza neighborhood, popular upscale shopping area of Tokyo, is a perfect location for duty free luxury merchandise."

Mr. Naumann is not affiliated with Japan Duty Free Fa-So-La Isetan Mitsukoshi, but agreed to comment as an industry expert.

[Japan Duty Free Fa-So-La Isetan Mitsukoshi](#) did not respond by press deadline.

Outside the airport

The Japan Duty Free Ginza shop will offer consumers exemptions on customs duties and taxes. Consumers will be able to shop in a number of zones offering Japanese beauty, cigarettes, liquor, timepieces and international cosmetics and fragrances.

In addition, the 35,500-square-foot department at Mitsukoshi will house nine luxury brand boutiques. These shops will include Tiffany & Co., Jimmy Choo, Bottega Veneta and Balenciaga.

For apparel brands Valentino and Saint Laurent, their boutiques within Japan Duty Free Ginza will be the duty-free

shop in Japan in operation. Likewise, French jeweler Boucheron has selected Japan Duty Free Ginza as its first foray into duty-free retail.



*Rendering of Japan Duty Free Ginza*

Also featured at Japan Duty Free Ginza will be the first duty-free shops in Japan operated by watchmakers Vacheron Constantin and Roger Dubuis. The Time Valley Zone, opening in March, will house seven shops including Vacheron Constantin and Roger Dubuis.

Consumers will also be able to shop the 800 Hands Japanese Beauty Zone, where local beauty products can be purchased, as well as the 18 boutiques found in the Cosmetics & Perfume Zone.

A zone displaying scotches, cognac, domestic whiskey, wine, sake and other spirits has also been established, as well as an area for cigarettes.

As per [Women's Wear Daily](#), consumers wishing to shop the area must have their passport and airline tickets or itineraries on-hand to present to Japan Duty Free Ginza's reception counter. Only consumers with travel plans leaving from one of Tokyo's two airports, Narita and Haneda, within a month's time will be granted entry.

When items are purchased, the consumer can pick up their items from the duty-free counter at the airport once they have checked in for their flight. Japan Duty Free Ginza is said to expect 2,000 consumers per day, with 80 percent being non-Japanese shoppers.



*Rendering of Japan Duty Free Ginza*

For example, the number of Chinese tourists visiting Japan more than doubled last year, helping the country come within reach of its goal of 20 million tourist arrivals by 2020 well ahead of schedule.

But beyond simply showing up, Chinese shoppers in Japan have shown themselves to be exceptionally big spenders, giving Japanese retailers as well as major luxury brands a welcome boost ([see story](#)).

Although Japan Duty Free Ginza is a new approach to duty-free retail, it will not be the only location in Japan for long. A 5.8 million-square-foot space within the Tokyo Plaza Ginza Building is scheduled to open at the end of March. This space will include a Lotte duty-free store, making it the largest airport-style duty-free shop in Tokyo.

#### Go-go Ginza

The Ginza neighborhood in Tokyo has recently seen a number of brands incorporating the area into marketing efforts as well as opening new stores.

For example, Italian menswear brand Ermenegildo Zegna created a "directional and dedicated" capsule collection emphasizing its excellence in style, tailoring and craftsmanship made specifically for Japan.

The capsule, "Made in Japan," is a tie-in meant to celebrate the opening of Zegna's Ginza boutique in Tokyo that

occurred in March 2015. Meant to bridge the cultures between the brand and Japan, Zegna and couture head of design Stefano Pilati explored the heritage of Japanese fabric development and the savoir faire of Italian menswear design ([see story](#)).

Also, Italian fashion label Versace has returned to Japan after departing the market in 2009.

When Versace had a retail presence in Japan, the label operated four boutiques in total, and now as its re-entrance process has begun, the brand has opened three storefronts. The three stores capture different facets of the brand, with Versus Versace opening in April, Versace Home in July and a mainline flagship that has just opened ([see story](#)).

The placement of Japan Duty Free Ginza is likely to capitalize on the growing number of affluent consumers to the neighborhood.

"For price conscious luxury shoppers, there may be some shifting of purchases from freestanding luxury boutiques in the Ginza neighborhood to the new duty free shop," Mr. Naumann said.

"To retain the loyalty of customers and save the sale, luxury boutiques should emphasize their personalized shopping experience, broad product assortment and value-added service," he said.

---

© 2020 Napean LLC. All rights reserved.

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