

RETAIL

DFS expands cross-border payment availability

October 24, 2017



WeChat Pay is now accepted at DFS locations at San Francisco's international airport. Image credit: DFS Group

By STAFF REPORTS

Duty-free retailer DFS Group is integrating mobile payment solutions in San Francisco and Hawaii to better serve Chinese travelers.

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Through a partnership with cross-border mobile payment company Citcon, DFS will launch WeChat Pay solutions at the San Francisco International Airport and T Galleria by DFS in Honolulu, Hawaii. WeChat Pay is the most-popular mobile payment choice of Chinese consumers, with more than 1 billion users, making it necessary for brands and retailers to offer the solution as a purchase method.

Travel solutions

DFS' partnership with Citcon will allow Chinese consumers who travel to its San Francisco and Hawaii T Galleria to scan a QR code to make a payment, just as it is done in China.

The cross-border payment solution allows Chinese consumers to make a purchase at DFS through WeChat mobile wallet. The payment is also processed in Chinese Yuan, eliminating the need to convert currencies while abroad.

WeChat Pay will soon be launched at DFS at the Los Angeles International Airport and New York's John F. Kennedy Airport.



Duty-free beauty products are popular purchases. Image credit: DFS Group

"Travel retail is a major growth engine driving the luxury retail sector today, and partnering with Citicon to accept WeChat Pay in multiple payment scenarios allows us to provide an integral and seamless payment experience that Chinese consumers are familiar and comfortable with," said Mike Osorio, region president Americas, Pacific Islands and Japan at DFS Group, in a statement.

"We put our customers at the heart of our business, and these new innovations, along with our offer of exceptional products and unparalleled services, help us to provide our customers with a delightful shopping experience throughout their customer journey," he said.

Also, DFS recently launched a mini purchasing program powered by WeChat.

DFS' mini purchasing program launched Sept. 1, ahead of the busy Labor Day holiday weekend, and targets travelers who prefer to shop via mobile, rather than stop into a duty-free shop. WeChat introduced the mini program in January to create rich experiences for its users who turn to the app for commerce and communication ([see story](#)).

Catering to the behavior of traveling Chinese consumers is important, especially given the size of the demographic. For four consecutive years, China has been the world's number one outbound tourism country, accounting for more than 13 percent of total tourism revenue globally.

By 2020, it is estimated that 5 million Chinese travelers will spend \$80 billion in the United States alone. The U.S. market is one of the most popular destinations for Chinese tourists.

Travel retail is also a vital element of the broader luxury goods market. The travel retail sector contributes 15 percent of the luxury goods market and is expected to reach a value of \$85 billion by 2020.

At DFS, consumers can shop goods from more than 700 brands, including those owned by the travel retailer's parent company, LVMH Group. Through in-store activations and high-end services, DFS also offers prime positioning for brands looking to get notice by affluent travelers.

DFS operates storefronts in 13 major airports around the world and also offers downtown T Galleria duty-free boutiques in 18 international cities.