

RETAIL

Galleries Lafayette, after recent Paris and Shanghai expansion, opens new department store in Luxembourg

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Facade of the newly opened Galleries Lafayette department store in Luxembourg City's center. Image credit: Galleries Lafayette

By STAFF REPORTS

While department stores are facing a rough time in the United States, the model still has legs in Europe. And to prove it, French-owned Galleries Lafayette opened its first department store in Luxembourg City, capital of the same-named Grand Duchy.

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The flagship store, situated in the Royal-Hamilius, a new complex designed by British architect Lord Foster and his firm, is part of local property developer CODIC International's push to revive the city center with new shops, restaurants, offices and homes.

For Galleries Lafayette, the Luxembourg store ends 2019 on a positive note as it expands its retail footprint with a formula of blending entertainment with fashion.

More in store

The **Luxembourg City department store** comes soon after Galleries Lafayette opened two outposts in Paris and Shanghai in the past couple of months.

More than 300 luxury and premium brands in fashion, beauty care and home furnishings will sell across six floors in Galleries Lafayette Luxembourg. Separate departments cater to men, women and children, as well as areas for gifting, wellness and dining.

A partnership with SMETS, a Luxembourg concept store, will also allow Galleries Lafayette to sell luxury labels in a 150-square-meter space.

Also included in the retail format are three creative labs along with the newly renovated Galleries Lafayette-Royal Quartz Paris concept for luxury watches and jewelry.

Design-oriented to attract young and old customers and prospects, the 6,500-square-meter Luxembourg store is encased in a transparent-glass faade. Local and French influences permeate each floor.

Luxembourg's slate and quarries inspired the materials, while French artists such as Charlotte Perriand, Jean Prouv and Pierre Chapo influenced the interior furniture.

Store employees will have mobile phones to check inventory real-time on the floor, in the system and online. Mobile payment will be accepted next year.

British department stores Harrods and Selfridges, as well as grocer Fortnum & Mason, have incorporated a similar formula like Galeries Lafayette, adding experiential elements to mere shopping transactions. Hence the proliferation of dedicated wellness and beauty shops, partnerships with online companies and even a movie theater, in Selfridges' case.

Meanwhile, in the U.S., department stores are finding their customers are fleeing to online shopping, thus depriving them of the touch-and-feel aspect of bricks-and-mortar retail along with the impulse purchasing that goes with it.

Nordstrom and Neiman Marcus are in the process of reinventing themselves, and Saks faces uncertainty with its parent Hudson's Bay Company now a target for private-equity acquisition. Even Bloomingdale's owner Macy's Inc.'s numbers are not what they used to be.

Footfall key

Galeries Lafayette seems to have escaped its U.S. counterpart's fate, perhaps choosing markets that are not as ruthless as the U.S.

Luxembourg City attracts more than 4 million visitors each year, split between tourism and business people doing financial work.

Luxembourg is a major banking center in the European Union and also European and global headquarters for many multinationals looking for a more relaxed tax regime.

Founded 125 years ago, [Groupe Galeries Lafayette](#) specializes in city-center fashion retailing.

The family-owned company has 14,000 employees and 280 stores and ecommerce sites worldwide, with brands such as Galeries Lafayette, BHV/Marais, La Redoute, Louis Pion, Gurin Joaillerie and BazarChic generating \$5 billion in sales last year.

MORE THAN 1 million visit Galeries Lafayette stores worldwide, aiming to get a taste of the retailer's French "Art of Living" lifestyle.

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