

OUT OF HOME

LVMH eyes affluent travelers with out-of-home airport advertising

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By ERIN SHEA

LVMH Moët Hennessy Louis Vuitton is eyeing affluent travelers by placing brand advertisements on large digital screens at John F. Kennedy International Airport in New York.

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The screens will display images from a number of LVMH brands including Christian Dior, Donna Karan, Marc Jacobs, Bulgari, TAG Heuer, Hennessy, Parfums Givenchy and Louis Vuitton. Large-scale airport advertising is likely to attract attention from affluent travelers who are waiting to board flights.

"John F. Kennedy Airport is the busiest international airport in the North America, so LVMH choosing their Terminal 1 is no coincidence," said Chuck Mascola, president of **Mascola Group**, New Haven, CT.

"It's no real surprise that LVMH is showcasing their brands here, spurring affluent travelers to potentially make a purchase at one of the airport's duty-free shops before a flight or once they've arrived at their destination," he said.

"The last few years have been a period of large growth for airport retail, so it will be interesting to see how this impacts LVMH's share of that revenue growth."

Mr. Mascola is not affiliated with LVMH, but agreed to comment as an industry expert.

LVMH declined to comment directly.

Now boarding

Outdoor advertiser JCDecaux Group is partnering with LVMH to host two high-definition digital signs at the airport's Terminal 1 security entrance.

Terminal 1 contains airlines such as Air France, Lufthansa, Alitalia, Aeroflot, Aeromexico, Japan Airlines, Korean Air and Air China. In addition, the terminal has 4.6 million passengers travel through it annually and offers a number of high-end boutiques, per JCDecaux.

The digital screens will show off images from a number of LVMH's brands for 18 months.



Terminal 1

This additional exposure in a high-traffic area could boost the brand's promotions and reach their target customers.

Furthermore, luxury marketers benefit from these kinds of ads if they are strategically positioned and designed.

Out-of-home ads with branded content and images can attract consumers' attention and help that brand stay top of mind. When creating these kinds of ads, brands should carefully consider the design and their location to see results (**see story**).



Bulgari ads in Terminal 1 by JCDecaux

LVMH brands are likely to benefit by digital screens at John F. Kennedy airport since many international travelers are their target audience.

"John F. Kennedy Airport is a great place to advertise luxury brands," said Al Ries, founder and chairman of [Ries & Ries](#), a Roswell, GA-based marketing strategy consultancy.

"The airport handles international flights that are much more likely to carry affluent passengers than domestic flights," he said.

"Furthermore, international passengers are also more interested in international brands like the ones owned by LVMH."

Around town

Other luxury brands use out-of-home placements in large cities to attract the attention of consumers who are out and about.

For instance, online retailer Net-A-Porter is targeting Chinese consumers with an out-of-home, takeover advertisement on a Hong Kong tramway vehicle as it tries to make inroads in one of the world's largest luxury markets.

Although a crowded city such as Hong Kong will have many outdoor advertisements, the wrapping of an entire train will help Net-A-Porter's ad stand out. However, marketers that use outdoor advertising should be cautious to not offend the local culture ([see story](#)).

Also, British fashion label Burberry reached commuters and tourists at New York's iconic Grand Central Terminal by placing out-of-home advertisements inside the train station that showed a look from its spring/summer 2012 menswear collection.

The brand placed an image of actor Eddie Redmayne in a navy suit holding a rain jacket and umbrella on large digital screens that were approximately 10 feet above the floor of the station's main concourse. The ad panes flashed between a few different marketers, with Burberry being the only luxury brand featured, and appear between train track entrances ([see story](#)).

However, LVMH's digital ads are likely to catch consumers attention more than billboards or posters will.

"Digital out-of-home advertising is definitely an attention getter," said Brad Porter, CEO of [B.E. Porter](#), Beverly Hills, CA.

"This has been an emerging out-of-home medium for a long time now, especially overseas," he said. "The U.S. has been somewhat more reluctant to move in the direction of digital than our friends across the Pacific."

"You can bet that JCDecaux and LVMH did their homework so in any case, out-of-home advertising exposure in a targeted area like John F. Kennedy international departures terminal is probably going to be a good thing."

Final take

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