

IN-STORE

DFS transforms JFK retail spaces to further brand transition

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By JOE MCCARTHY

LVMH-owned luxury travel retailer DFS Group is transforming its airport retail stores across North America to more accurately reflect location sensibilities and refine the focus of each space.

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The latest project upgraded nine of the brand's retail spaces in New York's John F. Kennedy International Airport's terminal four where the retailer is the sole duty-free operator. By customizing the function of each space, the brand will likely maximize traffic as consumers will not feel as if they are encountering repeats.

"New York is an iconic destination for fashion and beauty, home to many of the luxury retail giants and boutiques that have led this industry for more than a century," said Polly Nelson, North American managing director of **DFS Group**, Los Angeles.

"With our new concessions at JFK T4, we hope to capture this spirit and reflect the same level of energy and innovation by curating across both well-known global brands and niche artisan concepts," she said.

"A commitment to celebrating the uniqueness of the city is also a distinctly New York and DFS value, and this is why we have made every effort in our merchandising to bring in

New York brands and in our own branding, the iconography of the destination itself."

Personal identities

DFS's product portfolio at JFK spans categories such as spirits, wine, tobacco, beauty and fragrances, watches, sunglasses and food. The shops include brands such as Tom Ford, Hermès, Zegna, Dior, La Prairie and Hugo Boss.



DFS in JFK

The shops have been transformed into concept spaces such as the Prestige Fragrance area or focus on specific New York-based brands.



DFS in JFK

The travel retailer recently unveiled a new operational dimension called "T Galleria" that will be incorporated into all of the brand's downtown outlets in seven countries and eleven cities.

DFS also released a fall campaign video to catalyze the brand's transformation and the advent of T Galleria.

The video mixes animation with real models, pits a predominantly white color palette with splashes of red and features soft, enticing music.

Embedded Video: [//www.youtube.com/embed/-yKFo0wGx8](http://www.youtube.com/embed/-yKFo0wGx8)

T Galleria By DFS 2013 Fall Campaign

Since DFS began renovating its JFK terminal four spaces, the retailer has added over one hundred new jobs and upgraded 21,000 square-feet of retail space.

More than 95 percent of the brand's planned renovations have been completed, and it has invested more than \$50 million so far. All retail spaces are projected to be finished by 2014.

"DFS effectively seduces the aspirational customer by creating an environment consistent with the perception that their products are a better deal, and the deal ends the moment you

board the plane," said Chris Ramey, president of [Affluent Insights](#), Miami, FL.

"The more wealth, the less the consumer need think about the purchase," he said.

"Consumers can justify spending more because the perception is prices are lower.

"An impulse purchase requires an environment consistent with the quality of the object being sold," he said.

With the wind

To keep up with the ever-changing realm of luxury, retailers must constantly update their stores.

For instance, Italian label Bottega Veneta is strengthening its foothold in Milan's high-fashion district with the brand's first maison, a move that is likely to generate interest in the brand and increase foot traffic to the retail space.

Bottega Veneta's new maison is regarded as an addition to the brand's flagship located at Via Montenapoleone 5, Milan, Italy. Brands such as Bottega can avoid diluting their image when expanding by curating exclusive experiences ([see story](#)).

Also, footwear label Brian Atwood partnered with department store chain Bloomingdale's, Condé Nast's Vogue and fashion bloggers to host in-store events to celebrate the new B Brian Atwood handbag collection.

The events were held in September at certain Bloomingdale's locations. Hosting an in-store event supported by well-known influencers and social media is likely to help the retailer boost foot traffic in store locations ([see story](#)).

Although DFS is changing how consumers perceive the brand, it will still be dealing with the same demographics.

"In the U.S. in particular, we are both deepening our commitment to the airports and cities with which we have successfully partnered for so many years and fulfilling this promise to our customers from around the world," Ms. Nelson said.

"New York, Los Angeles and San Francisco are all key gateways to North America for customers who already know us from other locations and those who will depart the U.S. and see us on the other side of the world," she said.

"We aim to ensure that they always enjoy the same high quality, elegant and unique DFS experience wherever we are."

Final take

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