

ASD gains strong sales from 'new' Kansai store

Kansai Airport duty free operator Airport Senmon Daiten (ASD) is forecasting further sales growth in the second half of this financial year, following a major refurbishment and reconfiguration of its Terminal 1 North Wing mixed category duty free store.



The new format is now expected to deliver impressive results considering the store was already delivering record sales before the two-month long refurbishment period began last June and was completed on schedule.

Mainland Chinese passenger numbers have also continued to grow fast, as Kumie Yoshioka, Sales Department Manager explained in an exclusive interview with *TRBusiness* recently.

She said: "Sales in our general store increased by 45% overall this year from January to July year-on-year. Sales growth varies monthly, but it's growing every month. Maybe we will have 60% growth for the whole year as we are continuing to grow compared with last year.

"The new shop decoration is helping. We have just renovated so we will have to see how sales go. We are happy with our new shop; we have more customers coming in."



Kumie Yoshioka, Sales Department Manager at Airport Senmon Daiten (ASD) says she is very happy with the enhanced sales performance at the newly refurbished and reconfigured store.

ASD's shop renovation scheme has involved a complete change of appearance inside the shop which was previously physically connected with the former KAB Duty Free Shop via a wide opening in the internal connecting party wall.

This was originally designed to give customers the feeling they were in a large duty free store *[even the*

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tills were quite separate-Ed].

The construction of a new partitioning wall to close this connection with the former KAB store has also increased the area on the left hand side of the shop and introduced several new brands into this 'new space'.

Yoshioka said that ASD has also introduced several leading Japanese cosmetics brands that are popular at the front of the refurbished store: "A good point about our shop is that it's easy to find. As customers walk towards our shop, we have a long shop front that we share with KAA.



This store used to have an inner entrance to the shop next door but is now completely self contained.

"We have a bright Shuemura back wall cosmetics display at the front of our shop on the right hand side and a facing Shiseido back wall display on the other side at the front. Ours is the only Shuemura counter in the North Wing. Next to it is Helena Rubenstein and then L'Oréal Paris, which is new."

With the interior connecting opening to the former KAB shop now closed, ASD has reconfigured its side wall cosmetics display, positioning Shiseido on the left hand wall at the front of the shop followed by Shiseido's high-end brands, The Ginza and Clé de Peau Beauté.

Yoshioka added: "Then we have Hermès bathroom toiletries line which is new for us. It was suggested by our Hermès boutique agent as we do not carry the bathroom collection in our North Wing Hermès fashion boutique."

Giorgio Armani and Salvatore Ferragamo also feature on the left wall, along with the Japanese ReFa beauty roller appliances collection.

"We have more customers coming in our shop," said Yoshioka. "Previously, we had Dior in the front centre of the shop. Now we have changed to position tobacco in the front centre as customers gather around the tobacco stand."



Premium liquor continues to sell well to Mainland Chinese customers in particular.

"Business is good because Chinese visitors are coming not just in the Summer or Spring time, or during the Christmas vacation – they are coming the whole year," said Yoshioka, who said that Chinese account for around 50% of sales, while the Japanese share is close, with 45%.

"Chinese customers buy tobacco including Seven Stars, Seven Stars Soft and Chunghwa cigarettes. Also, they buy perfume and cosmetics, including Shiseido Clé de Peau Beauté, and Burberry, Hermès and Salvatore Ferragamo perfumes."

Japanese customers buy mostly tobacco due to the large price difference between downtown prices in Japan and airport duty free prices. Japanese passengers buy Mevius, Seven Stars and Marlboro mainly," Yoshioka said.

Swarovski jewellery, Montblanc belts, sunglasses (mostly Ray-Ban) along with some Burberry and Prada models are also popular with Chinese customers, along with Swarovski and especially now that the Swarovski boutique operated by another retailer has closed.

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Airport Senmon Daiten carries an extensive range of tobacco brands and Japanese customers buy their full allowance, following the domestic market tax increases earlier this year.

Yoshioka said: "Everyone buys Swarovski including Japanese, Chinese and South Korean passengers; it's mainly Asian customers."

Meanwhile, ASD has now moved its Montblanc display next to Swarovski on the back wall and the brand's belts and some of its pens are popular, while the retailer's Hermès boutique has also recorded a strong increase in sales during the past year.

Yoshioka says this is thanks to the weak yen and the growing number of Chinese passengers using the North Wing at Kansai. Bags, scarves and accessories are selling well, plus small leather items including wallets.