

Lotte Duty Free expands Vietnam duty free operation

Lotte Duty Free will celebrate the opening of its new additional duty free operation at Danang International Airport terminal in Vietnam this week, according to Lotte Duty Free Shop CEO Jang Seon-wook.

The operation is due to open on November 1 *[tomorrow]* and will consist of two duty free stores comprising 1,091sq m and 117sq m selling 115 brands across multiple categories.

BIG STEP FOR LOTTE DUTY FREE

These include tobacco, cosmetics, watches, accessories, eyewear and toys – plus 14 Korean brands. Lotte says it also plans to expand the domestic brand offering.

The Lotte Duty Free Store is located in the new terminal in Danang International Airport, which opened in May at the same time that the retailer announced the soft opening of its first joint venture store of 270sq m.

As reported previously, Danang International Airport is new, having been built and established with a total investment of KW170bn (\$150m).



Lotte Duty Free Shop CEO Jang Seon-wook at Danang Airport in late October.



POSSIBLE DOWNTOWN STORE?

Lotte says it is now aiming for sales of more than KW30bn in the coming year and also considering opening an additional store in Danang City – in addition to other popular downtown locations in Vietnam, including Hanoi, Nha Trang and Ho Chi Minh.

Clockwise: Danang International Airport exterior; Lotte Duty Free Shop CEO Jang Seon-wook in the new terminal; and the Danang Airport passenger departure area.

Commenting on the new openings, Lotte Duty Free Shop CEO Jang Seon-wook said: Vietnam is expected to become a bridgehead for South-east Asia as a new market where foreign tourists are soaring.

“We will review expansion into key regions in Vietnam in the future. Continuing overseas expansion will make Lotte Duty Free more robust for global brands.

FAST GROWING TOURIST DESTINATION

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Lotte added that in recent years, Vietnam has achieved 'the highest rate of foreign tourists in Southeast Asia', with foreign tourist numbers in the first quarter up by 30.6% and Chinese tourists by more than 60%.

The retailer also points out that the number of foreign tourists visiting Danang this year is expected to rise by 30% to 2.1m.

In addition to Vietnam, Lotte Duty Free now operates duty free stores in Tokyo's Ginza district, at Kansai and Guam Airports, plus downtown stores in Jakarta, Indonesia and Bangkok in Thailand.

[These latest formal store openings also coincide with the 24th Asia-Pacific Economic Cooperation (APEC) Summit in Danang on 10 November, where coincidentally South Korean diplomats are hoping to meet on the sidelines with their Chinese contemporaries to try and resolve their diplomatic differences over the location of the THAAD missile defence system on South Korean soil-Ed].



Lotte Duty Free CEO Jang Seon-wook checks out the new expansion on October 26, ahead of tomorrow's formal opening.