Galeries Lafayette plans to open a dozen stores in China by 2025

By Marion Deslandes - January 17, 2018

French department store group Galeries Lafayette is doubling the stakes in China. It opened a first Chinese branch in 2013 in Beijing, and by the end of the year it will inaugurate a 25,000 m2 flagship store inside the Pudong Mall in Shanghai, operated by the group's local partner, I.T. Limited.

The Shanghai flagship, whose interior design has been commissioned to architecture studio HMKM, will extend across four floors. It will feature "a selection of leading local, French and international brands, as well as multibrand sections ranging from mid-market to luxury labels." The store will target "a young clientèle with significant purchasing power," highly responsive to the latest trends.

Above all, the department store group led by Nicolas Houzé is clear about its ambition to create a Chinese network: "We have set ourselves an ambitious target for the years to come: opening about ten physical stores in the country's six largest cities by 2025." The cities of Guangzhou and Shenzhen are likely to be on the list. But Houzé also mentioned the group's firm intention to accelerate its "deployment on Chinese e-tail websites."

Elsewhere, Galeries Lafayette will open a franchised branch in Doha, Qatar, in 2018, and a second store in Istanbul, as well as a first branch in Kuwait, in 2019.

In France, the group is putting the finishing touches to the acquisition of mail order/e-tail company La Redoute, and is looking to franchise out about twenty of its branches outside Paris. To be more responsive, it has also streamlined its organisational structure, setting up an international development office headed by Philippe Pedone.

The Galeries Lafayette group operates 280 stores, including the Louis Royal Quartz and Guérin Joaillerie chains, and reported a retail revenue of €3.8 billion. With the addition of La Redoute, it would rise to €4.5 billion, and it plans to grow even further, targeting €5.5 billion by 2020.