



# Verdict comment: Chanel: pop-up store will benefit from influx of Olympic tourists

LONDON, UK: Following the arrival of a number of other pop-up stores in the Covent Garden area, Chanel opened its first UK pop-up store on the main piazza on 24 July 2012 - just in time to benefit from the increased footfall in London driven by the Olympics. As well as stocking the full range of Chanel beauty products, it also boasts a first-of-its-kind nail bar.



The store is planned to stay open for seven months, ensuring that it cashes in on both the Olympics and the Christmas period. In this time, it plans to launch exclusive new products, hold educational workshops, provide consultations with make-up experts, as well as offer a comprehensive range of beauty products and a nail bar. It will also offer other beauty services such as facials in a dedicated area of the shop.

While the store is very small, its minimalistic design with limited products on display and whitewashed walls prevent it from feeling cramped, making it appealing to shop in. However, its prime position in the middle of a busy shopping destination means it will experience high footfall, particularly in busier periods such as the Olympics and Christmas, during which we expect it to struggle at times, which will take away from the shopping experience.

## Beauty proves to be resilient

With only three other Chanel stores in London - one of which is located at Heathrow airport - it is a good way of boosting sales in the capital without losing its exclusivity element. Though it only plans to open for seven months, we expect the retailer to look for a more permanent location in the area if it performs well over the period.

While other sectors such as homewares and DIY have struggled during the economic downturn, beauty has remained one of the most resilient sectors, which bodes well for Chanel. Relatively low selling prices have meant that consumers have treated themselves in this sector when they cannot afford to buy more expensive items such as clothing or homewares. Innovation in the market has also kept customers buying - particularly new products such as anti-aging creams, as concerns over looking younger for longer continue to increase. With this in mind, combined with a large amount of tourists who are attracted to luxury brands such as Chanel, we expect the pop-up store to perform well in its time at Covent Garden.

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