

to deter theft with minimal financial output, Phil says. "Alternatively, retailers can take a few simple measures to significantly reduce the potential for threat. Reviewing fixture heights, identifying blind spots, and deploying security mirrors all increase the line of sight for floor staff. Well-positioned signage promoting the security measures in place is also effective."

Ross notes that efficient use of staff can also help to minimise theft. "It is good practice to ensure cautious methods of cash handling," he states. "If possible, retailers should avoid having just one staff member in the store at any one time. Shoplifters often target a store over many weeks in order to ascertain staff movements and numbers. They then choose the right time to distract the only staff member whilst an accomplice steals from another part of the store."

In terms of anti-theft technology, Ross suggests that the tried and tested systems are the most effective. "Updated EAS systems with new smart tags in combination with CCTV will always deter thieves. However, in an increasing and disturbing tendency, shoplifters are resorting to foil-lined bags and clothing in an endeavour to nullify the security systems. To overcome this, Vitag supplies a detection system that specifically targets and identifies bags or clothing lined with foil. Radio frequency identification [RFID] is another development that some retailers are looking into, but this still requires a lot of development before it can be used cost effectively."

Phil concurs that it is likely RFID will be commonly used in times to come. "Retailers are casting a keen eye on exciting developments in the RFID space, where item-level intelligence solutions are said to be the next big thing. The main benefit of item-level intelligence is that it allows retailers to improve inventory management, especially on the shop floor. Using RFID technology, retailers can accurately track goods coming in from factories, through distribution centres, and into their stores. Once on the store shelves, goods can be tracked while in stock, through the point of sale, and out the exit."

As technology further develops, so too will retailers' ability to secure merchandise, says Phil. "Many apparel retailers are already using CCTV or video surveillance, so the next step is getting these systems to work harder through integration with people-counting or store-traffic management solutions. Capable of capturing visitor-trend data such as traffic



What about burglary?

As Frank Spiteri from Smokeshield Australia is well aware, retailers must also carefully consider protection against theft from a break and enter. However, many existing technologies have serious flaws.

Alarm systems: Most businesses have an alarm with back-to-base monitoring. However, thieves are aware that they have from five to 30 minutes before someone arrives to attend the activated alarm – and use this to their advantage.

CCTV: This allows a live-action view of a burglary. However, most burglars are disguised and cannot be identified. Under certain circumstances, the footage cannot be used as legal evidence.

Shutters and bars: While they slow down a robber, they are not effective enough to stop them. Forced entry through these often causes extensive property damage.

The SmokeCloak fog security device is designed to secure premises and stock within the critical time gap between the alarm's activation and the response team's arrival. The system adapts to any type of store layout, integrates with existing alarm systems, and provides full monitoring features. Powerful artificial-fog generators provide physical protection by instantly discharging an impenetrable white vapour by transferring water and glycol-based liquid through a heating block. The fog is totally harmless to people, electronics, clothes, computers and paper, but paramount in protecting merchandise – you can't steal what you can't see!

numbers, pedestrian direction, average time of stay, and demographic, new analytics software allows retailers to spot patterns and abnormalities so they can identify issues and allocate staffing resources accordingly. This is really important because one of the biggest factors in loss prevention is getting the staff-to-customer ratio right. Electronic article surveillance, in the form of anti-theft tags and labels, continues to be one of the most popular security solutions. ADT Securities has recently released the world's first pinless tags, as well as an alarm tag, both of which are ideal for fashion retailers aiming to protect merchandise without detracting from the shopping experience or the item's aesthetic appeal." 📍

"WITH THE BROAD SELECTION OF TECHNOLOGY AVAILABLE, FAILURE TO INVEST IN SOME FORM OF SECURITY IS THE BIGGEST MISTAKE A RETAILER CAN MAKE." - MARK VOCE



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The First Choice in Travel Shopping

The world's top airport retailer, The Nuance Group, offers a customised travel retail solution.

Swiss company The Nuance Group is proud to have operations on five continents and over 90 years of travel retail experience. The company's head office is in Zurich, Switzerland, and is home to The Nuance Group's corporate functions – finance, strategic and business development, human resources, IT and logistics. These centralised functions provide guidance and support for the company's global regional branches. Additionally, the group has regional offices

in North America, Australia, New Zealand, Europe, Hong Kong, India and Singapore. The Nuance Group is pleased to employ over 5,700 staff throughout the world in 370 stores.

With continual growth a main priority for this global retailer, The Nuance Group aims to create unique shopping experiences. In airports around the world, the company is proud to offer an exceptional range of goods – perfume, cosmetics, liquor,

tobacco, fashion, jewellery, fine food and confectionery, watches, electronics, sunglasses and more. In Australian airports, these products are sold at a range of stores under The Nuance Group's umbrella, including SYD Airport Tax & Duty Free, Where & When, and F1RST Tax & Duty Free. Not all duty-free stores in the traditional sense, these stores have grown in specialised areas in accordance with customer demand and local culture. ▶

PATIENCE IS A VIRTUE

The art of blending Scotch whisky requires many skills, most of which only come after decades of training and experience. There are no short-cuts to becoming an internationally respected Master Blender like Colin Scott. Similarly, you cannot cut corners and expect to produce a whisky of the outstanding depth, complexity and smoothness of Chivas Regal. Colin constantly monitors his whisky; for example, Chivas Regal 18 Year Old undergoes 1,000 checks before it is bottled and ready to be sold.



Chivas Regal Master Blender Colin Scott

Scotch whisky enjoys a reputation as one of the world's finest spirits because of the dedication and patience of people like Colin. Patience is not a quality seen every day in a society that expects instant gratification. However, the Master Blender knows that only with time will good spirit mature into excellent whisky. Colin has the experience to know when his whisky is ready; he is fortunate in that Chivas Brothers has an impressive and enviable inventory of mature whisky, including 85% of all Scotch aged 21 years and over.

judges' tasting notes refer to 'a medley of citrus, ginger and spice' and to 'beautiful harmony'. It is described as; "Vibrant and lively for its age yet elegant and refined. Gorgeous, mature characters lead into everlasting finish." Such outstanding quality and complexity only come about with extended maturation.

Wood is the biggest influence on the flavour of whisky as, over time, the spirit and oak interact: the wood subtracts some of the harsher elements of the raw spirit; the wood adds colour and sweetness; finally, the wood and spirit interact to create new flavours and aromas. This process cannot be rushed.

Over time, whisky develops richer flavour, bolder aroma, deeper colour and smoother finish. This is true of the entire Chivas Brothers portfolio. For example, Ballantine's 12 Year Old was awarded a Gold Medal and named Best in Class at the IWSC and the aged range has won in excess of 60 trophies and medals since 2000. Little wonder that Chivas Brothers has been named Distiller of the Year by the IWSC four times in the last seven years.

Chivas Brothers has launched The Age Matters, a campaign to educate consumers about the importance of age statements on whisky. The advice is to always look for an age statement when you are buying luxury aged whisky, which clearly states the age of the youngest whisky in the bottle. Take, for example, Chivas Regal 18 Year Old, winner of a prestigious Gold Medal at the International Wine & Spirits Competition (IWSC) 2010. The

Every whisky matures at its own pace and each oak cask is different but the only way to know the true age of a whisky is to look at the age statement – in the form of a number on the bottle; this represents



The Age Matters campaign

the age of the very youngest whisky in the bottle. When you see an age statement on a bottle of Chivas Regal, you know Colin Scott has taken the time and care to produce one of the world's greatest Scotch whiskies.

KNOW THE AGE, KNOW WHISKY



The company is not limited to airport stores, but is active in all travel sales channels – in flight, on cruise ships, by mail order, and over the internet. Given society's increased reliance on the internet, The Nuance Group has made online shopping available to travellers through its various websites. It also publishes regular emails to keep its customers up to date with its extensive range of new products and exclusive lines.

The Nuance Group's excellence in travel retail has been recognised throughout the company's history time and time again. 2010 has been a particularly successful year for the group, winning such coveted awards as Asia-Pacific Travel Retailer of the Year, Best New Shop Opening, Best Travel Retailer Operating in a Single Country, Airport Travel Retailer of the Year, and Best Travel Retailer in the Americas. This vast array of accolades demonstrates the wide range of areas served by the group's diverse portfolio.

CEO of The Nuance Group Australia and New Zealand, Jann Fisch, is immensely proud of the company's achievements in Australia over the last three years. The Nuance Group has established the brands of SYD Airport Tax & Duty Free (Sydney) and F1RST Tax & Duty Free stores in Melbourne, Perth, Cairns and Brisbane as well the recent opening of the Landside Melbourne airport store. Jann is confident that the company's newest Melbourne project, which is twice the size of the current one, will open with the same ease and professionalism. "When you are getting out of passport control and security, then you are immediately standing in the store amongst the liquor, watches, perfume and cosmetics. That's the old store. However, our new store will be twice as large with all the same categories of duty free. The biggest difference will be visual – at the exit of the store, instead of



the standard ceiling height, it will be 5.8 metres high. The whole store will be twice as large as the previous one, which gives us a lot of opportunity to display our range of products in different ways than in the past."

This approach of using alternative methods will be evident throughout the Melbourne store. "The way in which we approach this is doing something we've started to explore with the new SYD Airport Tax & Duty Free store that we opened seven months ago," Jann explains. "We're going to have what we call interactive zones – demonstration zones where we demonstrate how a product works, tasting zones for wine, champagne and spirits, and pop-up zones where we can be really on-trend for retail. We're also planning to implement interactive zones based around exclusively Melbourne events such as the Spring Racing Carnival, Formula One, and

the Australian Open, which we can really focus on in order to pique customers' interest. These Melbourne-specific areas will help us to create a niche market."

In addition to these new approaches, The Nuance Group intends to implement some of its existing successful strategies. "In our new Melbourne store we are going to open eight cosmetic boutiques. We are also going to install three digital touch screen kiosks for customers to select their favourite fragrance to purchase, following on from the success of our Sydney store. For example, we're able to display the malt whisky in a unique way with tastings and people on the stands. The same process is going to happen with wines, which we're already doing in Sydney."

Although the company intends to use its existing Sydney model in Melbourne, regional differences will also be reflected. "Melbourne is the city I like the most in ▶

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Australia," Jann states. "While Sydney is one of the most beautiful cities in the world, I feel that Melbourne has that classy environment and understated European feel that Sydney is certainly lacking. We are trying to capture and establish these sophisticated Melbourne characteristics in our store. It's all about big, classy brands, and the full range and experience. But at the same time, the store has personalised service and attention for customers. We feel that a big range and attentive service are a winning combination for the traveller."

Jann believes that the advantages of the Melbourne store go beyond this. "What helps us in Melbourne Airport is that it's one of the very few airports in all of Australia where you have the domestic and international terminals next to each other; they are within walking distance. For us, it's great because it makes life much easier for the consumers – it's easy to get from one to the other, so there's more time to go shopping!"

Despite the considerable size of the project, Jann is positive that it will be ready on time. "We will be opening in the first week of November, so we have a little while to go," he asserts. "Just last ►

"What helps us in Melbourne Airport is that it's one of the very few airports in all of Australia where you have the domestic and international terminals next to each other; they are within walking distance." - Jann Fisch

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week, we opened the Landside store on time, which everyone can visit in Melbourne because there's no need for a boarding pass."

Jann credits the company's reliable supply base for much of this success, suggesting that the company receives many benefits from its suppliers. "What we get from them is technological innovation. That's important to us, knowing what new technology is out there," he states. "We also need to have a high standard of quality, which we get from our suppliers. We have design principles that we have already been working on together with suppliers in Sydney Airport. This helps us because we therefore don't need to do many design revisions, and we already understand each other. Our suppliers have really helped us with supply of new innovations. One really good example of this is iPads in Sydney. Thanks to our suppliers, we had the product on the same day that they were being sold on George Street in the city. The difference with us was that people didn't need to camp out all night to get one; they just went to the airport if they had been travelling, and bought one. It's great for us to be able to get some newness in this area."

In addition to offering a range of new products, The Nuance Group's suppliers also provide quality goods. "The brands that we sell in store – Dior, Chanel, Estee Lauder – come with a reputation and a brand image, and they represent what travellers want.



"Diageo and The Nuance Group have partnered to deliver exclusive travel retail experiences including 'world firsts' like the Whisky Festival, the World of Malts, and the launch of the new Johnnie Walker Double Black."

- Edward Mirana, Customer Team Manager, Diageo

Duty-free world first

The Nuance Group introduced the largest single in-airport store at Sydney International Airport earlier this year. As a true first in duty free, the finest malt whiskies have been categorised by their flavour profiles, rather than their region of origin, at SYD Airport Tax & Duty Free's state-of-the-art departure store – making it easier for travellers to discover their perfect malt.

World of Malt Whisky's Flavour Map has been introduced by drinks supplier Diageo, and will change how malt whisky is purchased. Using flavour and taste to segment the malt category rather than region is simple and easy to understand. This method has been developed by Diageo's master blenders for years and has been endorsed by industry experts.

A selection of malt whiskies is plotted on a flavour map in store – simply choose one of your favourites or a flavour profile from the map, then select from a range of matching malt whiskies. The map also gives travellers the chance to branch out and try a new drop – giving even more reasons to get to the airport earlier to fit in that little bit more shopping time.



Therefore, we stock the same brands in Sydney, Melbourne, Perth and Brisbane. We continue to work with the same suppliers because the range of perfume, cosmetics, liquor and tobacco that they provide is in high demand throughout the country. However, we're flexible in the products in each different store."

This flexibility is important for The Nuance Group, which aims to tailor each airport store according to its location and the probable location of its travellers. "Although we have our consistent suppliers, the goods in each store depend on the airport and its local culture. We have a great range of products, but are selective about which categories go in which locations. However, the processes that we are applying, and the suppliers of the goods, remain the same even where the specific products differ. At a local level, our people have the same methods of execution – training is the same, knowledge is the same, support from suppliers is the same. Our suppliers are in tune with our processes and the retail experience that we want our customers to have."

This deep understanding of the company is founded in The Nuance Group's good relationships with its suppliers. "We have very strong relationships with our suppliers, because without them we would be nobody, and without us they would be nobody. It's mutually beneficial. We have established a high level of mutual trust and respect for each other over the years through working closely together. We built a new store in Sydney; we are currently building a store in Melbourne; three years

ago we built a store in Brisbane; and so there is a lot of cooperation because we work so closely. The duty-free business is quite a small and select industry as compared to the retail world at large, and consequently the relationship is fundamental to us. There are a limited number of companies available to do what our suppliers do for us."

Jann is thoughtful when reflecting on The Nuance Group's future holdings, suggesting that there are a number of different avenues that the company may choose to pursue. "For the time being, we are working on the arrivals lounges in Brisbane and Melbourne, and we'll hopefully be doing a walk-through of Cairns at the start of next year. We really need to get trading in these stores going, because we've made a substantial investment. We're really hoping that the nicer range and distribution on the shop floor that we've established will deliver the results that we're looking for."



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