

JELMOLI ZÜRICH

Reinventing retail: Historic store adds new brands and a more focused layout.

On Zürich's Bahnhofstrasse, the historic Swiss department store Jelmoli is celebrating its 180th anniversary. While it's keen to make the most of its heritage, the brand is also seeking to liven up its conservative image.

"Every retailer has to renew itself again and again," says Jelmoli's CEO, Franco Savastano, who is overseeing a careful but comprehensive revamp.

In the past year, he has introduced over 200 new brands to the shop's already enviable portfolio and added to the 39 existing shop-in-shops on its 33,000 sq m sales floor. Jelmoli is no stranger to seismic changes, having reduced its number of shops from over 50 in the early 1990s to one flagship.

In collaboration with local architects Schweitzer, the shop's interior is being transformed section by section, starting with women's wear, which re-opened earlier this year. "We created bigger dressing-room areas, where people can be served in a private and individual atmosphere," says Beni Heiden, artistic director of Interstore Design, Schweitzer's independent design agency that's behind the overhaul. Briefed to update the premises but reassert the store's character, Heiden has inserted the Swiss characteristic of quality into the refit.

Jelmoli's personal service, modern redesign and adventurous new ranges are offering bricks-and-mortar retailers a lesson in adapting to the times. — JAF
jelmoli.ch

Why it works:

Jelmoli has taken a traditional formula and injected new life by taking on luxury labels and investing in customer services. Balancing these changes with the brand's unique Swissness has been its real achievement.



LCB PENNSYLVANIA

Reinventing retail: State-run wine merchant brings in quality wines and knowledgeable service.

Pennsylvania is one of the only US states to have emerged from the Prohibition era with an entirely government-run alcohol retail market. For 80 years, the Pennsylvania Liquor Control Board (LCB) has kept that system almost entirely unchanged. The LCB has approximately 600 stores but operates under a set of byzantine restrictions. (It cannot, for instance, sell beer.) The size of its sales network makes Pennsylvania's state government the largest single buyer of alcohol in the US, and the largest purchaser of California wines on earth.

After years of complaints from the state's wine-lovers, the LCB has made a move to offer a more sophisticated retail experience. Alongside its standard shops it has 75 Premium Collection locations.

One such store opened this summer on Philadelphia's Market Street with an emphasis on knowledgeable employees and product tastings. The LCB staffs these outlets with



dedicated wine specialists. "Those specialists will have their own favourites, so the inventory will reflect their passions," says marketing and merchandising director Jim Short. The stores, too, have been redesigned around a large island that integrates the cashiers' station with a tasting counter. "It centralises it so customers can easily find someone to speak to," says Dale Horst, director of retail operations. — SI
lcb.state.pa.us

Why it works:

With its focus on premium products and design the LCB combines the weight of state buyer with an expert, discerning approach. Despite the recession, the board turned its largest profit ever this year, \$128.4m (£97m) – largely off a 6 per cent annual gain in wine sales.