Editor's introduction: On 28 September Bangkok’s long-awaited, much-delayed new airport opened at Suvarnabhumi, dubbed ‘the golden land’ in Thailand. The opening, just nine days after a military coup toppled Prime Minister Thaksin Shinawatra, is one of Asia's biggest airport developments of recent times.

Suvarnabhumi replaces the cluttered and oft-criticised Don Muang International and the contrast between the two facilities could not be more profound. One represents the crowded yesterdays of Thai travel, the second is the face of modern Asia – a spectacular, futuristically beautiful mass of steel, glass and canvas, resembling a series of billowing sails.

Unusually, Suvarnabhumi’s commercial facilities are in the hands of one company, King Power, which holds separate ten-year concessions for the duty free and other commercial facilities. Besides 19 duty free stores covering 10,000sq m, King Power has had to design and build some 297 commercial retail units, embracing food & beverage, entertainment and services, spread over 27,500sq m of space.

That’s an extraordinary undertaking – even more so given the fact that just six weeks ago King Power opened another grandly ambitious project, the US$134 million King Power Downtown Complex, featuring a three-storey retail mall of 10,650sq m, a 600-seat 1,200sq m restaurant and new offices, with a hotel and theatre to come.

If the scale of the joint projects is impressive, it's the vision and qualitative excellence that really thrill. In recent weeks The Moodie Report has gained unprecedented access to King Power's senior management in the run-up to both openings. It has been a fascinating insight into the demands on a travel retailer that is trying to reach out for greatness and into the pressures that such motivation brings.

Later this month in Cannes we will produce a major supplement, in association with King Power, which tells the full story. But first, in the immediate wake of last Thursday’s opening, The Moodie Report is pleased to take readers on a journey into a golden land.
The golden colours on the giant billboard near the motorway to Suvarnabhumi Airport beckon from half a mile away. As our car draws closer the words become clear – ‘Experience the Mantra of the East at Suvarnabhumi Airport – King Power, King of Duty Free’.

The billboard features King Power Chairman Vichai Raksriaksorn’s daughter Voramas, clad in striking traditional Thai costume – a powerful image repeated in much of the retailer’s high-profile advertising campaign that has accompanied the airport opening. (Voramas is now working in the business, having recently completed a master’s degree in Fashion Accessories from St Martins in London. She is tasked with the development and branding for all local merchandise, and also visual merchandising.)

The advertisement for Suvarnabhumi (pronounced sue-wan-a-poom) commercial master concessionaire King Power evokes the uniquely Thai and Asian flavour that the retailer has tried to capture in its most challenging project to date. And it hints at just some of the excitement of one of Asia’s biggest-ever airport openings.

As we chat on the 28km journey from central Bangkok to the airport, King Power Deputy Managing Director Susan Whelan reflects on the sheer scale of the challenge the company has faced in getting its offer ready by opening day.

“We’re up to 297 commercial outlets – compared to something like 160 at Heathrow Terminal Five,” she says.

Besides its core duty free and tax free areas, King Power has charge of the commercial and general retail space, embracing a plethora of food & beverage outlets, entertainment and services facilities in the Departures, Arrivals and Transit areas. The main duty free zones comprise a 999m walkway, said to be the longest in the world.

For every day she visits the site with her team and designers to check on progress, Susan estimates she walks over 4km. “If I’m not fit after this I never will be,” she says with a laugh.

Today she plans to check out last-minute progress on around 141 retail units alone. Each has to be finished to exacting standards: generic and brand signage must be in place and all have to be fully stocked by later tonight. At 3.05am tomorrow it’s down to business when the first aircraft lands at Suvarnabhumi.

The Moodie Report last visited the airport on 17 August – the day before King Power opened its extravagantly ambitious Downtown Complex in central Bangkok. At that time the airport, spectacularly externally, was a construction site inside with thousands of workmen pouring like ants all over the building. Though physically impressive it was effectively just a giant shell – with not a single piece of retail in evidence.

How could things possibly change so much in six weeks, I wonder silently as we near the airport. The answer isn’t long in coming. As we drive up the long sweeping entrance to Suvarnabhumi there are huge portrait images of the King of Thailand everywhere as well as the trademark purple signs of national carrier Thai Airways. Outside the terminal the road is crammed with television crew and their vehicles. “This is getting serious now,” I say to Susan. She laughs nervously and draws deeply on a Rothmans. The fitness regime will have to wait.

Inside the activity is frantic – but what a transformation there has been in six weeks. Everywhere workmen are drilling and hammering, and last-minute signage is being added. Domestic flights are already using the airport so there’s an almost surreal combination of last-minute preparation and commercial reality. But it’s all surprisingly calm, an impression enhanced by the main terminal’s all-embracing structure, like a giant conch.

King Power signs are prominent throughout the landside departures area, building passenger interest in what lies airside. There’s even a luxury Bentley motor vehicle in place, advertising a King Power and Visa Card promotion offering the chance to win the car or your weight in gold – one chance for every THB5,000 (US$130) spent.
It’s time to head airside. With our airport passes in place we move quickly through security and head towards the action.

The sight ahead stops you in your tracks. A 30m long sculpture called The Scene of the Churning of the Milk Ocean sits at the bottom of a gently sloping white-tiled entrance. It’s a magnificent centrepiece that will be the subject of millions of tourist snaps in years to come. The stunning work depicts the Vishnu Kurmavatara while the naga (King of Serpents), Vasuki, is curled around the mountain Mandara. It’s all about reaching out for the nectar of immortality – a deeply symbolic and appropriate theme here at Suvarnabhumi, whose very presence so symbolises Thailand’s long-term future.

The sculpture, commissioned from the Fine Arts Department of Thailand, cost THB40 million (US$1.1 million) – and was paid for entirely by King Power Chairman Vichai, an art lover and ardent patriot. Close to the centrepiece, sealed off with a ribbon, is a giant stage with a throne set aside for the King when he first visits the airport. It is just eight days since the military coup overthrew the unpopular Prime Minister Thaksin Shinawatra but the country – and the military – remain intensely loyal to the King.

As the world woke up to news of the coup last week many observers believed the Suvarnabhumi opening would be delayed. Not so – but the opening tomorrow is now set to take place without the pomp and fanfare that Thaksin had no doubt planned.

Maybe that’s no bad thing. Asia’s high-profile new airports have a nasty history of opening hitches, and many here just want to focus all their efforts on operational matters tomorrow. In recent days there have been problems with roof leakages – everyone is praying that the heavy rain earlier in the week will stay away.

As we enter the retail heartland the pace of work is frenetic. Work is taking place on every single unit with lighting, signage and stock all being added. To the outsider it seems a daunting race against time but Susan is confident, perhaps for the first time, of satisfactory completion. Her mobile phone rings constantly – each time another ‘snag’ to sort out or concern to placate. “It’s such a rare opportunity to have your dream project and be able to work with all this space,” she enthuses, despite all the demands.

We walk. And walk. And walk some more. Suvarnabhumi is a vast place. The sheer number of shops is staggering. How King Power got things to this stage in six weeks is anyone’s guess. And it’s been hands-on right from the top. Tonight Chairman Vichai will not leave the premises until 5am. His other top management are similarly embroiled in and passionate about the project. The ultimate rewards may be great but this is high-risk stuff. The logistical demands are immense and all King Power’s work has taken place within the constraints of a new airport taking place around it.

Dusk begins to descend over Suvarnabhumi and the airport’s soft lighting lends the place a lovely tranquility. By now the cleaners have moved into top gear all around the building. We head out of the Arrivals shops and away from the airport to our waiting car. “We’re there, we’re OK,” says Susan.

But the big test awaits... and it’s only hours away.
28 September – Opening day

“How did it go this morning?” I ask Susan Whelan, almost afraid for her in case things haven’t gone to plan. The mental as well as work pressures on the King Power management team must have been intense in the past few days.

It’s late morning and we’re back on the road to Suvarnabhumi to join the masses of inbound and outbound travellers experiencing Asia’s newest airport. “So far so good,” she replies, “I haven’t heard of any disasters.”

There have been some airport glitches though, mainly related to luggage handling breakdowns, a temporary failure of the check-in system run by Airports of Thailand and a lack of clear signage inside the terminal. But so far nothing on the scale that plagued the debuts of Hong Kong International or Kuala Lumpur International.

As expected there is no grand opening – not even an official ceremony. A week, as they say, is a long time in politics. Senior officials from Airports of Thailand, Thai Airways and the interim regime, the Council for Democratic Regime, are on hand – but today is about business, not ceremony. Although passenger numbers in late September have been soft, largely because of the coup, it’s set to be a busy day with some 813 departing and arriving flights due.

Read all about it...

The full story of King Power’s two extraordinary 2006 downtown and airport openings will be told in Mantra of the East, a special publication from The Moodie Report due to be published later this month at the TFWA World Exhibition in Cannes.

This fascinating work examines the rise of King Power over the past 17 years, profiles Chairman Vichai Raksriaksorn and takes an in-depth look at the retailer’s acclaimed new Downtown Complex and its commercial offer at Suvarnabhumi Airport.

In an industry first, all advertising revenues are being donated to charity through the King Power Foundation which was set up in 2005 to help society’s most needy. King Power will then match the industry’s support with its own contribution. All funds (together with a copy of the publication) will be presented to His Majesty the King of Thailand for use in his own charitable fund.

Suvarnabhumi opens with a touch of theatre

It’s 10.30pm at Suvarnabhumi Airport and a large crowd of travellers has gathered to take photos at the centrepiece sculpture, The Scene of the Churning of the Milk Ocean. Suddenly there is a burst of movement and music.

A Thai theatre and dance troupe has sprung into action, their music and dancing dramatically offsetting the sculpture behind them.

There’s a nice moment as the dancers move around in front of the nearby VR store – the brand named after King Power Chairman Vichai Raksriaksorn. The Chairman would be proud of this picture and proud of the travellers’ response: as the act ends a crowd of 100 or so burst into spontaneous, collective applause.

It’s a brilliant moment, the sort of thing we don’t see enough of in the world’s airports. The concept of ‘A Sense of Place’ doesn’t start and stop with a souvenir range or even a more sophisticated destination merchandise offer. It should embrace a commitment to culture, to crafts and to community. It should bring a country or a city alive and make the airport an integral element of the travel experience. Vichai Raksriaksorn has done just that.

Hours earlier Don Muang International had been consigned to international aviation history. ‘Don Muang Airport calls it a day’ runs the banner headline in that morning’s Bangkok Post. “People took photographs, spoke about the old days and posted messages about a place they called home as Thailand bade farewell to Don Muang Airport yesterday, 92 years after its commercial opening,” says the report, the newspaper showing belated affection for an airport it so often chose to criticise.

But there won’t be too many tears shed by Thai or international travellers. Don Muang was a crowded old place, one in which King Power has worked wonders...
Arriving in style

Suvarnabhumi’s spends seem certain to increase significantly over those of Don Muang, and nowhere more so than in Arrivals, which features significantly increased space and category coverage.

The inbound value allowance per passenger was increased three months ago from THB10,000 to THB20,000 (US$530), and stringent limits on what items could be sold were eased.

Formerly limited to selling liquor and tobacco, King Power now offers high-value categories such as confectionery, watches, leathergoods and fragrances. The retailer has invested heavily in the Arrivals channel, building some 600sq m of walkthrough space as well as a further 75sq m outlet in the baggage hall.

over the past eight years in driving up footfall, penetration and spend, despite working with a dire airport layout which necessitated repeating the same offer many times over in the most unaluring and cramped spaces.

On arrival at Suvarnabhumi the contrast with the day before is amazing. The place is teeming with people, cameras are clicking everywhere and media are swarming over the airport. This is the real thing, a landmark day for Thailand, for Bangkok – and for King Power.

The check-in lounge is a cacophony of sound. The airport, all steel girders, looks like a giant futuristic film set. The place echoes with the buzz of thousands of conversations. It’s like the noise you get in a sports stadium just before kick-off on a big match day.

The airline queues don’t look too bad but there’s a bit of a snarl at immigration as we make our way airside through the airport pass corridor. But due to the gate security system once you’re through immigration it’s straight into the commercial area.

The activity around The Scene of the Churning of the Milk Ocean is incredible. Dozens of pictures are being taken of travellers, families and groups. Vichai’s great artistic contribution is already a smash hit.

From the centrepiece sculpture it’s straight into retail – passengers have to walk through the stores (and some food & beverage) to reach the gates – and it begins with a strong reinforcement of the country’s culture and traditions. Behind the sculpture is The Museum Shop of Suvarnabhumi, a lovely store with everything in glass display units.

At the beginning of the walk into the west wing is a nicely-understated Memories of Thailand store, with a table outside selling floral bracelets in return for a US$1 donation to world poverty relief programmes.

King Power was determined to avoid the ‘tack’ of so much destination merchandise, while knowing it had to provide a full range of souvenir items.

To the right of the centrepiece stands VR, a boutique dedicated to the Chairman’s own lifestyle brand of fashion and accessories. The upfront positioning of these icons and stores is no coincidence – there’s a strong statement being made here that Suvarnabhumi is not just another homogenised international airport but a truly Thai gateway.

The first taste of traditional duty free comes with liquor, tobacco and confectionery to the left – towards the east wing – and fragrances and cosmetics to the right. The two neat, shallow shops...
are just a hint of the full range offer that lies within.

As we turn left into the west wing there are plenty of passengers around – and the departures board confirms that the airport is busy. But somehow the place seems empty. That’s probably because we are comparing it with Don Muang, perennially crowded with people, restaurants and retail. Here the gleaming white tiled walkways allied to the lack of ceilings lends a constant feel of openness.

Suppliers have been working hard to have their offers ready for launch day. Most of the boutiques are open and some prominent executives are on hand for the big occasion. L’Oréal Travel Retail Managing Director Worldwide Thierry Houssin is suitably impressed. “It’s a day to remember,” he tells Susan Whelan. “We’re happy to be here, and congratulations to all of you. The architecture of the airport is incredible. It’s a beautiful place. I arrived in the old terminal [Don Muang] – but this is a whole new world, a whole new century.”

We move beyond the strong Thai theming into a long, curved shopping mall. The absence of straight lines lends a softness to the atmosphere. To either side of the walkway stand a range of luxury, fashion and accessory boutiques, along with watch, jewellery and branded gift shops. The big names are out in force – Bvlgari, Boss, Bally, Coach, Christian Dior, Chanel, Gucci, Fendi, Burberry, Dunhill, Celine, Emporio Armani, Montblanc, Swarovski, Tod’s and Zegna. Hermès, Cartier, Chopard and Ferragamo will open in coming months.

Just as in DFS Galleria Okinawa, the main boutique area includes an upscale food & beverage outlet, in this case called the Reef seafood bar. Three more of these outlets are in place through the two wings, encouraging passengers to linger, relax and shop.

The passenger flow is critical. Every departing passenger passes the full...
range of duty and tax free stores – and many of the F&B outlets – before passing through the first security check. As a result of the increased footfall penetration rates are likely to be much higher than at Don Muang.

But getting passengers into the store is only part of the equation. It’s the mix of stores that makes Suvarnabhumi’s offer so different to rival airports – and which King Power hopes will really drive penetration. There are plenty of luxury boutiques and enough core duty free items to please most budgets and tastes. But it’s the way these are blended with an impressive variety of concept stores – all conceived by King Power – plus Thai Royal Project and OTOP (‘One Tambol – province – One Product’) outlets that make the shopping experience so enticing.

One has to see Suvarnabhumi to believe the contrast with Don Muang. There’s a particularly thrilling moment as the shopper exits the first speciality retail zone and enters the main walk-through duty free stores. In the west wing it opens up beautifully in a sweeping oval curve that conveys a lovely mood of airiness, elegance and light. Both the fragrances and cosmetics store on the right and the liquor, tobacco and confectionery sectors to the left are (typically for Suvarnabhumi) without ceilings or walls. It’s an unusual, virtually open-plan retail zone, chic and full of pizzazz.

King Power’s real achievement is, we suspect, in how international and local flavours have been interwoven, together with some pioneering, risky retail concepts such as the delightful Once Upon a Time children’s shop and the Thomas & Tonini delicatessen. How often do we hear speakers at travel retail conferences berate the sameness of most airport shopping offers and challenge the industry to adopt the more adventuresome approach of the high street?

King Power has done just that – there’s ‘ME’, for the high-spending woman who likes expensive skincare and niche items; the lovely ‘Imagine’ aromatherapy out-
let; the neatly-named ‘Eye for Time’
watches and sunglasses store; ‘Crossing
Continents’, which sells a range of lug-
gage and related travel accessories; and
Bracken, a nicely under-stated men’s
ready-to-wear shop featuring Zilli, Sand,
Charvet, Brioni and Paul Smith.

On this most auspicious of days Susan
Whelan stops at almost every unit,
checking on sales progress. As she
comes out of the ‘Connect’ (soon to be
renamed ‘Click’) consumer technology
stores her eyes are welling with tears.
“I’m just so happy,” she says, “some of
the stores are already doing really, really
well.” It’s a brief, poignant insight into
the strain that she and others have been
under in recent weeks.

The shopping experience continues after
passengers pass through the first secu-
ritv check area into either the West or
East wing. In both wings travellers then
enter a central hub from which three
concourses lead to the departure gates.
In the hub of each wing passengers can
choose from a diverse range of gift
shops, bars, restaurants, coffee houses
and other outlets, along with a smaller
duty free shop.

Don Muang it isn’t. Estée Lauder Travel
Retailing Vice-President/General Man-
ger Asia/Pacific Stefan Herzog sums
up the change perfectly: “It’s an unbe-
lievable transformation from a shabby
retail environment to a superb shopping
mall. The consumer will find a world-
class selection of brands in an enticing
environment. There are even some new
concept shops that surely will be copied
by others in the future.”

There you have it: brand name boutiques,
concept shops, classy and imaginative
duty free stores; a strong mix of upscale
and mainstream food & beverage cater-
ing for all price-points and international
and Asian palates; a real ‘Sense of
Place’ and a real sense of space.

Suvarnabhumi evokes so many vivid
impressions – young Miss Omchan,
who gift-wrapped my fresh chocolates
with charm, speed and a smile that
could light up Thailand; the Smirnoff
Red stand-alone vodka unit that takes
standard vodka to a new level; a duty
free shop with palm trees inside; the
elegance of restaurants such as Rah-
man that make you feel as if you’re sit-
ting in downtown Bangkok watching
the world go by; the superb fragrances
& cosmetics outlet and much, much
more besides.

In commercial as well as literal terms
Suvarnabhumi seems set to become a
truly golden land.