## Detroit Metro Airport has variety of new retail, eateries on menu

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Romulus— Having completed a retail makeover, Detroit Metropolitan Airport is upgrading its food and beverage concessions at the McNamara terminal with a blend of local eateries, national chains and serve-you-at-the gate technology

in hopes of boosting revenue from non-airline sources.

Once the 25 new concessions — including P.F. Chang's, Chick-fil-A and Andiamo — are completed by the end of next year, airport officials expect revenue to climb annually from \$42 million in sales in 2013 to an estimated \$63 million. Also on the menu will be Eastern Market offerings as well as bread, coffee and sandwiches made famous by Zingerman's in Ann Arbor.

Metro Airport retooled its retail locations in early March, replacing many of its news and gift stores with more catchy and technologically savvy name-brand locations sponsored by cable network

<sup>™</sup> CNBC, the New York Times and the Economist magazine.

Airport officials project the revenue from retail will be more than \$7.7 million, climbing 16.9 percent in the first full year.

With passenger traffic stalling in recent years, the airport — like others around the country — is seeking to upgrade food concessions as contracts expire as a way to fuel revenue. It has also taken bold steps in offering first- or second-in-the-nation shops and restaurants and by introducing "Gate-Hold Experience" of serving passengers at their seats in some areas.

"We want to be unique. We don't want to be a follower," said Greg Hatcher, director of concessions and quality assurance at Metro Airport. "We tried to address passenger needs and new trends. We will have a Chili's, we will have a Max & Erma's, but in most places we want something really unique that's going to be exciting for our customers."

Frank Newton, senior vice president of Newtown & Associates in Charlotte, N.C., which consults on airport and aviation subjects including concessions development, said although he is not privy to Detroit's strategy, Metro Airport is implementing the changes other top airports are making to drive profits and please passengers.

"Airport concessions are, especially in a large, connecting hub like Detroit, a significant component of the annual revenues of the airport," Newton said. "There has been a recognition movement by airports over the years that passengers are looking for more and more opportunities to buy things in terminal buildings to take with them on their journey. The more opportunities you have in general, the more it tends to stimulate sales."

That's exactly what airport officials want.

## New eateries, services

The restaurant changes aim to usher out eateries that have seen sales dip in recent years. Construction

will be phased in over several months.

Some familiar names in the McNamara terminal won't be coming back, such as Einstein Bros. Bagels, which will be replaced by Potbelly between Concourses B and C, and Jose Cuervo Tequileria, which is being taken over by Logan's Steakhouse. The large Starbucks next to the water fountain will be replaced by Espressamente Illy Fountain Bar, an internationally known coffee maker airport officials say is popular with European passengers.

Some restaurants will be built from scratch, such as the combined Chili's and Papa Joe's Gourmet Market in place of the vacant former skyclub for Northwest Airlines. Others will switch locations or get a face-lift, expansion and upgrades in their current spaces.

P.F. Chang's will be the second airport location in the nation. Atlanta's Hartfield-Jackson International Airport has the other.

Some hungry passengers will be able to order food and have it delivered to their seats. They'll order from tablets or their own smartphones at the ends of Concourses A and B, where a number of restaurants are clustered. Delta hubs such as New York's La Guardia Airport and Minneapolis-St. Paul International Airport, as well as a handful of other big city airports, also offer the service.

"It's safe to say that many airports are aware of it and watching it carefully," said Kent Vanden Oever, a director at AirProjects Inc., a Virginia-based consulting firm hired by Metro to study its food and beverage concessions. "From a big picture perspective, the jury is still out, but the signs are very promising."

He added that some airports that allow fliers to order food from their seats have seen some increases in sales.

Airports have had the order-from-your-seat idea for decades, Vanden Oever said, but it was concessionaires who "were able to push it forward in some markets" with improvements in technology. It's slow to be made available at most airports because only a handful of concessions contracts come up for renewal every year, he said.

## Mix of local, national

Vanden Oever said Metro Airport has a good mixture of both brands and local spots, which should increase profits.

"They want to capitalize on the fact that people love their brands, they just do, but you also want to be able to show off a little something of the area that you represent," he said. "It got them brands that are going to drive good sales and satisfaction and yet they were still able to do a couple of things where they can pound their chest and say, 'Hey, here's something terrific and local that we

think you are going to like."

Christopher Freeman, 55, was seated recently in the south end of Concourse A, munching on a bag of peanuts. The former Jackson resident, who now lives outside New Orleans, travels back and forth to see family in Michigan once a month.

Freeman said he welcomes the new Eastern Market cuisine. The choices on this day were Quiznos subs or Hungry Howie's Pizza — what he called "the same old stuff." He was also pleased to be able to place orders and be served while he is seated at the gate.

"I think it will be really neat to come into Detroit and get some local flavors of the area," Freeman said. "I love Eastern Market so I'm curious to see that. I think it's a great concept rather than have something generic like the various fast food restaurants. Especially for the people who've got layovers, it gives them something other than the usual stuff."

Linda Johnson is all about recognizable names when it comes to airport shops and restaurants. The 50-year-old from Oswego, N.Y., was searching a new local market-themed store that gave her myriad choices.

"I like the name-brand stores," Johnson said recently during her layover on the way to Oklahoma to visit relatives. "The one-stop shop, pretty much where you can just about find everything."

Johnson did have a criticism, though, about Metro Airport, particularly in Concourse B where she was shopping: "They do need a little more food," mentioning that one of the few places she saw was a Wendy's.

Hatcher believes the new concessions will boost the terminal along with the new retail shops such as Spanx and new and improved Brooks Brothers and other locations. Metro Airport, he said, is one of the first in the nation to move away from the traditional news gift stores and move to travel stores that offer much more merchandise.

## Idea is spreading

Denver International Airport is taking steps similar to Metro's by transforming 75 percent of its shops and restaurants over three years. It opened 21 new or updated concessions out of 140 restaurants or retail locations. Denver is also eyeing giving fliers the chance to order from their seats, officials say.

Neil Maxfield, the managing director of commercial operations and analysis at Denver, said a new program called the Premium Value Concessions evaluates profits and customer service just before contracts are up. If they are in the top third of performers, they are allowed to sign new contracts without the competitive bidding process.

"As you make transformation, you can see impacts to your revenue and your quality of services

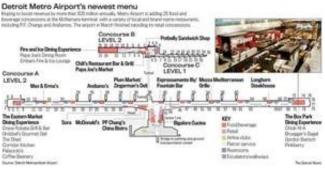
to your customers," Maxfield said. "We take a very structured approach at what our customers want and what they are asking for, what's been working in the past."

Paul Saginaw, the co-founder of Zingerman's, said he is pleased Metro is allowing more local restaurants "so that when people land, they know what city they're in and they see the wonderful things that Detroit has to offer."

Saginaw said his colleagues have joked with him for years his failure to get into the airport would be marked on his tombstone.

"We have been trying for 14 years to get our products out into the airport," Saginaw said. "We believe that Detroit Metro is not only the gateway to Detroit, it's the gateway to Ann Arbor and to the world.

"We want people coming through Metro Airport to know that we have products that can compete with any products in the country."





Debbie Troyan of Cleveland visits Dylan's Candy Bar in Concourse A. It's one of the new stores at the McNamara terminal at Detroit Metro Airport.

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Debbie Troyan of Cleveland visits Dylan's Candy Bar in Concourse A. It's ... (Daniel Mears / The Detroit News)



Brianna Webb models a wrap at Desigual for Delta back flight attendant Gia Mack, who hopes to wear some of the store's fashions at the beach.

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