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ONE BRAND: A WORLD OF OIL-INFUSED BEAUTY



# Philip Geeraert

Vice-President Conferences & Research



# Introduction

# Time for the #TRevolution

A s the 23rd TFWA Asia Pacific Exhibition & Conference gets underway, there is no doubt that this is a good time for both this region and the wider world of duty

During the second half of last year, duty free and travel retail in the region faced a number of tough challenges. Some were specific to our industry, while others were rooted in turbulence in the wider geopolitical climate. But there are many reasons to be upbeat. Chinese passengers are slowly but surely taking to travelling again, we are seeing record numbers at the region's leading airports including Hong Kong and Singapore, plus a major new terminal at Seoul welcomed its first passengers earlier this year – to cite just a few examples.

The performance of our business at a global level gives us cause to celebrate, with sales up 5% to over US\$50 billion for the first nine months of 2017. Once again, the Asia Pacific region was a star performer, and sales were up by 6%, to over US\$21 billion, meaning that it retains its title as the largest duty free and travel retail market by a considerable margin.

This optimistic picture has been reflected in attendance at this year's event, a highlight in the Asia Pacific duty free and travel retail calendar. As I write, preregistration figures are healthy, with a substantial number of visitors signed up to attend, and, of course, more expected once the show opens.

But there is no room to be complacent, and now is a good time to look at the changes taking place in our business, and prepare our response to this evolution. With the theme of #TRevolution, our conference this morning will enable delegates to hear the latest thinking on the way forward, and equip them with a wealth of fresh ideas to take back to their businesses and plan for their future.

Three workshops this afternoon will provide a forum for debate on a number of key industry issues. Workshop A will look at the concept of seamless shopping, Workshop B will take the theme of Call of Duty Free: gamifying travel retail, and Workshop C will examine the future of airport retail in Asia.

I'm sure you will agree we have much to look forward to, and I'm delighted to be here as a member of the TFWA Board. Here's to a stimulating, inspiring and enjoyable week ahead.

#### Notes for your diary:

- All delegates are welcome to join us for a business networking lunch, kindly sponsored by Neuhaus, after the morning conference today at 13:15. This will take place on Level 5, the same level as the conference and workshop rooms.
- Don't forget to pay a visit to our hosted networking session between 16:00 and 17:00 on Level 5. Thanks to Incheon Airport for their sponsorship of this event.
- Special thanks go to our diamond sponsor Changi Airport Group, and our platinum sponsor China Duty Free, for their support of the conference.
- I'd also like to thank Leonidas, who will sponsor the networking coffee break
  this morning, Mondelez International who has sponsored the conference web
  app, Pourchet who has provided the conference hostess outfits, Dufry who has
  sponsored the conference notebook and the charging station sponsor SKROSS.
- Our Asia Pacific Bar will be open for business from 17:00 this afternoon, so do drop
  by to enjoy the outstanding views across Marina Bay from the terrace. Again, I'd
  like to thank all our sponsors of this venue.

Philip Geeraert is Global Travel Retail and Asia Director of Neuhaus. He was elected to the TFWA Board as Vice President Conferences & Research in December 2017. He is responsible for organising conferences, workshops, seminars and research, and for the development of new TFWA activities.

# WiTR meeting today



Please note that the Women in Travel
Retail (WiTR) meeting takes place today,
immediately after the TFWA Asia Pacific
Conference at 17:00. The meeting takes place
in the TFWA Asia Pacific Bar on Level 4 of the
Marina Bay Sands Expo & Convention Centre.
All women working in the duty free and
travel retail industry are warmly invited.

It has been an exciting six months since WiTR launched its membership programme, with a dedicated website: www.womenintr. org, and it is heading towards 200 members.

At the networking session, there will also be the opportunity to hear about WiTR's major charity initiative this year – Hand in Hand for Haiti. The target is to raise US\$15,800 to purchase musical instruments for children at the industrysponsored Lycée Jean-Baptiste Pointe du Sable.

# Reminder of locations within the Marina Bay Sands Expo & Convention Centre:

- Two exhibition levels: Basement 2 and Level 1
- Registration desks and ONE2ONE Lounge: Level 1
- Press Centre: Basement 2
- TFWA offices: Level 3
- Conference/Workshops: Level 5
- TFWA Asia Pacific Bar: Level 4
- Asian Bar: Basement 2
- Western Bar: Basement 2
- Sushi Bar: Level 1

# Supported by:





# WiFi service

TFWA is pleased to provide free WiFi access in the exhibition and at the conference and workshops.



WiFi: MICE HOTSPOTS



We are delighted to announce that this year's TFWA Golf

Tournament, organised in partnership with Qatar Duty Free, will be held on 30 September 2018, the day before TFWA World Exhibition & Conference opens. The venue will be the prestigious Royal Mougins Golf Club, nestling in beautiful Provençal countryside just 10 minutes from Cannes, the perfect setting for a relaxing round and the chance to meet some industry colleagues.







Follow us on











# Tee time at Raffles

In partnership with:

interparfums

he stunning Lake Course at Raffles Country Club was the venue for yesterday's golf tournament. Many of the players paid tribute to its sweeping fairways and picturesque scenery.

"It's a well-shaped, well-designed course. I like playing here," said Peter Dige, <u>Director Travel Retail, Anthon Berg.</u>

The Lake Course's fast, true greens provided plenty of challenges to golfers of all abilities. "It's a beautiful day, but we're playing terrible golf," commented Chandru Manghnani, CEO Headlines Marketing Group.

"The golf season in Switzerland has only just started, so I have a good excuse," added Peter Zehnder, Head of Global Duty Free, LINDT.

Others weren't really interested in keeping score. "We are not here to have a professional game. We are here to have fun," said Jutta Recheis, Managing Director, Oliver Weber Collection.

The winning team was comprised of Paul Loo Lip Giam, Focus Network Agencies; Shahrizan Saad, HIG Malaysia; Nazir Ahmad, HIG Malaysia; and Abu Bakar Ismail, HIG Malaysia, who was also declared overall men's winner. Overall ladies' winner was Guiyong Cho, Korea Representative, TFWA.

Other prizes included longest drive, which went to Henrik Olsen, Head of Global Travel Retail, Scandinavian Tobacco Group, who recorded a shot of 235m. Meanwhile, nearest the water went to Nazir Ahmad, HIG Malaysia; and nearest the pin (3m) went to Steve Bentz, General Manager WTR, The Hershey Company.

Special thanks to Interparfums for the presentation of a cake to celebrate the 10th anniversary of its golf tournament partnership with TFWA.



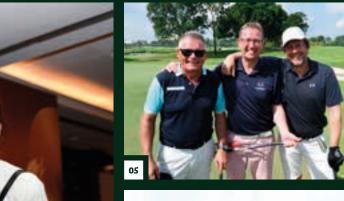
















- 01 Chandru Manghnani, CEO Headlines Marketing Group; Clinton Ang, CEO Cornerstone Wines; Jacy Jeng, co-CEO, Cornerstone Wines; and Raymond Tan, co-CEO, Cornerstone Wines.
- 02 Jean-Michel Bostroem, Filorga; Dato Dahlan, Managing Director, Chocolate Sales and Supplies Malaysia; Alan Brennan, Global Sales & Marketing Director, Harison; and Etienne Hendrickx, CEO MosquitNo.
- O3 Jacques Gouallou, Regional Director, Benefit; Renaud Boisson, Managing Director, Interparfums; and Filip Van de Vyver, Sales & Marketing Director, Jules Destrooper.
- O4 Mark Jordan, Area Director, Campari; Shibu Thomas, CEO Harison; and Peter Zehnder, He of Global Duty Free, LINDT.

  O5 Chris Sinclair, CEO Sign Action Australia; Dominic Moor Publisher, Frontier; and Philip Reidel, CEO Pentrade Duty Free.
- 06 Randy Dufour, VP Global Travel Retail, Arterra Wines; Jani Mälkki, Regional Manager Global Travel Retail, Constellation Brands; Jamie Goldstein, Owner, Samez Worldwide; and Gad Manor, Managing Director, Gal Manor Ltd.
- Managing Director, Gal Manor Ltd.

  O7 Simon Warburton, General
  Manager WWDF, JTI; Guiyong
  Cho, Korea Representative,
  TFWA; and Pierre Lequeux,
  Korea Representative, TFWA.

  O8 Nick Diacon, Regional Manager
  Asia, The Hershey Company; Steve
  Bentz, General Manager WTR, The
  Hershey Company; Jutta Recheis,
  Managing Director, Oliver Weber
  Collection; and Oliver Weber,
  Oliver Weber Collection.

  O9 Nimal Weeraratne, Sri Lankan
  High Commissioner; Patrick
  Chong, Chairman, Luxasia; Dr
  Goh Swee Heng; and Richard Tan,
  Stanford Law.
- 10 Paul Loo Lip Giam, Focus Network Agencies; Abu Bakar Ismail, HIG Malaysia; Shahrizan Saad, HIG Malaysia; Nazir Ahmad HIG Malaysia; and Renaud Boisson CEO Interparfums Asia Pacific.









# GENERATION CHARM CLUB

... represents all generations of collectors, creators and jewellery lovers. Discover the new THOMAS SABO brand experience at TFWA Asia Pacific Exhibition & Conference.

key objective of the international jewellery and watches brand THOMAS SABO going forward is to expand its travel retail presence and attract the attention of travellers. The beginning of 2018 marked the relaunch of the legendary Charm Club line, opening up new target groups, ranging from the young to adults, both men and women.

From now on known as Generation Charm Club, the new collection sparkles with around 260 restyled, high quality Charm designs and inspires people. Cool vintage stylistics, extralarge Charms, seductive single earrings as well as a wealth of different carriers surprise with a completely new look. With the Vintage Rebel category, iconic designs of the Rebel at heart men's line are entering the collection. The launch is accompanied by the new Point-of-Sale presentation, a new packaging concept and extensive marketing measures. Further highlights are the elaborately designed pieces from the brand's Sterling Silver Collection as well as captivating timepieces for women and men.

Fuelled by the positive reactions towards Generation Charm Club within the Asia-Pacific region, the group expects to make another big leap forward in the next two to three years. "Asia-Pacific is at the core of our international distribution strategy. We plan on further expanding our brand



in the duty free market, on becoming a darling brand for

the consumer", says Lars Schmidt, Sales Director Asia-Pacific. Twenty shops in mainland China, two recently opened flagship stores in Hong Kong as well as a strong development in Korea and Thailand in both domestic markets and duty free show the remarkable business developments over the last year.

The company known internationally for its high quality, beautifully detailed

LEVEL 1 - BOOTH: R12

jewellery and watch collections was founded in Lauf an der Pegnitz, Germany, in 1984. Today, THOMAS SABO is present in 75 countries on all five continents with around 300 standalone shops and collaborates globally with approximately 2,800 trade partners as well as leading airlines and cruise operators.







# Welcome Cocktail

Last night's Welcome Cocktail took place at the spectacular Gardens by the Bay. A highlight was exclusive access to the Flower Dome, the world's largest glass greenhouse.

















- 01 Eric Carlier, Business Unit Reto Manager, Valrhona; Sarah Branquinho, External Affairs Director, DUFRY; and Erik Juul-Mortensen, President, TFWA.
- 22 Keith Hunter, Partner, Hunter Palmer Global Retail Solutions; Rajiv Malhotra, Senior Business Development Manager Asia Pacific World Travel Retail, Mondelez International; Nick Goddard-Palmer Partner, Hunter Palmer Global Retail Solutions; and Patti Chau, Regional Director, ACI Asia-Pacific.
- 03 Colm McLoughlin, Executive Vice Chairman & CEO, Dubai Duty Free, and Paul Topping, Director, Flemingo International Limited.
- 04 Geraldine Archambault, Essential Parfums; Alain Maingreaud, Associate Director, TFWA; and Priscilla Beaulieu, VP Global Marketing & Sales Director Millennium Fragrances.
- 05 Ada Ge, Operation Project Manager, FIYTA, and Liu Zhong Yuan, Sales Manager, FIYTA
- 06 Mario Marraccini, Travel Retail and Licensing Director, Ermenegildo Zegna Holditalia S.p. A; Jacqlyne Li, Travel Retail Manager Asia Pacific, Ermenegildo Zegna (Hong Kong) Limited; Tina Priscilla Tam, Director & Partner, Paccaya Resources Ltd; Andrew Ford, President, Paccaya Resources Ltd; Tatsuo Tsuchihashi, Vice Chairperson, Blanc de Blancs Co Ltd; and Yoko Tsuchihashi,
- 07 Erica Genova, Travel Retail Manager Asia Pacific, Furla; Gerry Munday, Global Travel Retail Director, Furla; Maria Giulia Agnoli, Head of Travel Retail, Furla; and Bernice Choy, Travel Retail Visual Merchandiser & Product Trainer Asia Pacific, Furla.
- 08 Hassan Peter Choudhury, Group Head Ancillary, AirAsia Berhad, and Rossella Golluscio, Export Consultant, diego dalla palma.
- 09 Tessa Cheung, Regional Visual Merchandiser, Thomas Sabo; Lee Kai Ling, Sales & Marketing Executive, Thomas Sabo; Juliane Blackburn, Inflight Director, Thomas Sabo; and Sonja Petri, Travel Retail Coordinator. Thomas Sabo.
- 10 Frank Eribo, Sales Director, Butterfly Twists; Peggy McGratty, Director, McG Consultants; Penny Klein, Co-founder, Heidi Klein; Richard McGratty, Managing Director, McG Consultants; and Eric Koby, CEO Heidi Klein.
- Global Travel Retail, William Grant & Sons, and Peter Lightfoot, Managing Director, Lightfoot Marketing.







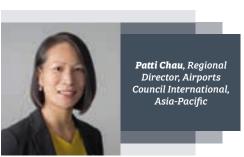


# Today: Conference & Workshops

The theme of today's TFWA Asia Pacific Conference is #TRevolution. It will look not only at technological advances and their impact on retail, but also at how business practice within duty free & travel retail has evolved, exploring the improvements required if sales growth is to match that of passenger traffic. Three themed, simultaneous workshops take place after lunch.









# **Monday 7 May 2018**

# 09:00-11:00 Plenary session 1: #TRevolution



Main Ballroom, Marina Bay Sands Expo & Convention Centre, Level 5



Translation available in Mandarin and Japanese

he first plenary session of the Conference will update delegates on the current state of the duty free & travel retail industry, before focusing on the technological advances that are transforming how we consume and interact with brands.

#### Erik Juul-Mortensen, President, Tax Free World Association

Now into its eighth decade, the global duty free industry continues to show resilience in an often challenging environment. But how well placed are we to navigate the waters ahead? What must change in order for our industry to lead, rather than follow trends? Erik Juul-Mortensen will open the Conference with a look at the latest available data, before giving his perspective on the day's theme.

#### Andrew Ford, President, Asia Pacific Travel Retail Association

The Asia Pacific Travel Retail Association (APTRA) is active in defending the interests of the regional industry, which remains the engine room of the global business. Andrew Ford will update delegates on the Association's activities on behalf of the industry.

## Adam Cheyer, co-founder and VP Engineering, Siri Inc., co-founder and VP Engineering, Viv Labs

The co-founder of Siri, Adam Cheyer is one of the world's leading authorities on artificial intelligence. His work with Siri, acquired by Apple in 2010, gave millions of consumers their first glimpse of AI in action, and pointed to the limitless potential of this new technology. At TFWA Asia Pacific Conference, Adam will explain how AI and other new advances will revolutionise customer behaviour and experiences, as well as challenging existing business models.

# Shivvy Jervis, futurist and expert on the digital economy

One of Britain's leading digital influencers and voted one of Europe's 30 leading women in the tech business, Shivvy Jervis helps companies make sense of the impact emerging and next-gen technology will have on business and on the way we live and consume. She will look at the next wave of digital pioneers with a particular focus on travel and tourism.

11:00-11:40

Business networking with coffee



Foyer area, Marina Bay Sands Expo & Convention Centre. Level 5



# 11:40-13:15 Plenary session 2: #TRevolution



Main Ballroom, Marina Bay Sands Expo & Convention Centre, Level 5



Translation available in Mandarin and Japanese

any in the duty free & travel retail industry would argue that its positive future development depends not only on the successful embrace of new technology, but on a fundamental review of the business model. The second plenary session of the TFWA Asia Pacific Conference will look in detail at how business practices have evolved over time, benchmarking the concession model against that of other comparable retail markets.

TFWA has commissioned a study of the evolution of the business model in duty free & travel retail from leading business analyst Boston Consulting Group. Partner and Managing Director of BCG in Milan, Filippo Bianchi, will present the key findings and recommendations of the report, prior to an indepth discussion featuring a number of industry leaders.

Giving their perspectives on the report will be Lagardère Travel Retail Asia Pacific COO Emmanuel de Place, King Power Group (HK) Managing Director Sunil Tuli, Aer Rianta International CEO Jack MacGowan, Hunter Palmer Global Retail Solutions Co-founder Keith Hunter, Neuhaus CEO Ignace van Doorselaere, and Greater Toronto Airports Authority Vice President, Customer and Terminal Services Scott Collier.

Both morning plenary sessions will be moderated by John Rimmer, Managing Director, Tax Free World Association.

13:15-14:30

Business networking lunch



Marina Bay Sands Expo & Convention Centre, Level 5

# 14:30-16:00 Afternoon Workshops

Please note: Workshops A, B & C run simultaneously

## **Workshop A**

Seamless shopping: travel retail's frictionless future



Main Ballroom, Marina Bay Sands Expo & Convention Centre, Level 5



Translation available in Mandarin and Japanese

he rise of e- and m-commerce has forced traditional modes of retail to rethink the service they offer to shoppers. Younger consumers – especially in Asia – increasingly expect convenience, integrated payment systems and total flexibility, whatever and wherever they buy.

A number of travel retailers are investing in ways to make the airport shopping experience more convenient, adopting new pre-order and payment technology that provides the seamless shopping their customers enjoy elsewhere. But there is still more to do to ensure a frictionless future for travel retail. This workshop will explore how new ways to communicate, to present the retail offer and to accept payment will transform the duty free & travel retail industry just as they are transforming the shopping experience elsewhere.

Among speakers at this session will be Matthew Brennan, an expert on WeChat and co-founder of China Channel, a China-focused tech consultancy and research firm. He will analyse China's digital landscape and its influence on shopping behaviour, in China and beyond. Matthew will be joined at the workshop by King Power Group (HK) Managing Director Sunil Tuli, and Global Smiling Managing Director Xin Deng.

The session will be moderated by Colette Doyle, Editor, Frontier.

## **Workshop B**

Call of Duty Free: gamifying travel retail



Breakout Room 1, Marina Bay Sands Expo & Convention Centre, Level 5

he "gamification" of customer-facing industries – whereby elements of video game design are used to enhance user engagement – has potentially important implications for all retail businesses. Virtual and augmented reality are increasingly being put to a number of different uses, notably in travel and tourism. How can these technologies help retailers and brands encourage travellers to answer the Call of Duty Free?

This workshop will analyse the implications of gamification for our industry, looking in particular at customer communication, marketing and brand engagement. It will explore how existing and future technologies can offer a memorable experience for customers, enhancing travel retail's "wow" factor and making travel shopping more fun. Among speakers at the session will be **Paul Bulencea**, co-author of Gamification in Tourism; **Jessica Lau**, Travel Retail Area Manager China and Taiwan, Guerlain; and **Lewis Allen**, Director of Environments, Portland Design.

The session will be moderated by Michele Miranda, Conference Manager, Tax Free World Association.

# **Workshop C**

Safeguarding our industry



Breakout Room 2, Marina Bay Sands Expo & Convention Centre, Level 5

he TFWA Asia Pacific Conference offers an important opportunity for our industry to assess and discuss challenges to its future growth. This workshop will look at a broad range of issues requiring concerted action from the regional and global industry, including the World Health Organization's Illicit Trade Protocol for tobacco products, packaging regulations affecting all categories, and more.

The session will also look at current travel trends in Asia Pacific, with a particular focus on air traffic forecasts. Speakers at this session will include Michael Barrett, Executive Officer, Asia Pacific Travel Retail Association; Sarah Branquinho, President, ETRC & External Affairs Director, Dufry; Patti Chau, Regional Director, ACI Asia-Pacific; and Jameson Wong, Director Business Development APAC, ForwardKeys.

The workshop will be moderated by Dermot Davitt, President, The Moodie Davitt Report.

**16:00-17:00** Afternoon networking session with refreshments

17:00 TFWA Asia Pacific Bar opens

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Foyer area, Marina Bay Sands Expo & Convention Centre, Level 5

9

Marina Bay Sands Expo & Convention Centre, Level 4

2018 conference & workshops sponsors

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Afternoon networking session & workbook:



Conference







Conference hostess







Access the TFWA Asia Pacific Conference app



Adam Cheyer, Co-Founder and VP Engineering at Siri Inc., Co-Founder and VP Engineering of Viv Labs: "AI will enable the technology behind a new eco-system based on the assistant paradigm. Just like the web and mobile changed everything, there will be new business models that emerge around this paradigm."

# AI bringing new opportunities to customise and personalise the consumer experience

Adam Cheyer, Co-Founder and VP Engineering at Siri Inc., Co-Founder and VP Engineering of Viv Labs, is one of the world's leading authorities on artificial intelligence. He spoke to Ross Falconer ahead of his address in this morning's Plenary Session 1: #TRevolution.

rtificial Intelligence (AI) is set to revolutionise customer behaviour and experiences, as well as challenging existing business models. Indeed, today it is being applied to many industries to optimise business decisions and outcomes, and to better meet consumer needs.

"AI has made dramatic progress in this decade, to the point that there are accomplishments that have been achieved that I never thought I would see in my lifetime," says Adam Cheyer, Co-Founder and VP Engineering at Siri Inc., Co-Founder and VP Engineering of Viv Labs. "Despite this dramatic progress applying AI to specific domains, little progress has been made on general artificial intelligence, hence the fears of AI 'taking over' are far overblown."

In this morning's conference, Cheyer will explain how AI is poised to become the next UI (user interface). "Much like the web and mobile transformed all industries, every connected consumer will soon rely on an automated personal assistant to help them manage their busy lives, and every connected business will soon rely on this new ecosystem to drive a significant part of their business."

In retail, AI will facilitate buying behaviour that goes far deeper than what a consumer can achieve today. "Take for instance, shoes. A large shoe catalogue may contain hundreds of thousands of SKUs, and there is no efficient way to search, no words to describe the subtle curve of the arch, style of the tassel, point of the toe, foundation of the heel, etc," says Cheyer. "Instead, machine vision algorithms can automatically analyse thousands of indescribable features, and then present a new search interface, a sort of visual 20 questions game. The user is presented with a handful of images and the question: "which shoe is most similar to the one you're thinking of" or "which shoe do you like the most". A click generates a new set, and just a few of these visual questions brings the consumer to the precise shoe they were thinking of."

In the travel retail environment, the introduction of kiosks utilising AI techniques would help consumers find exactly what they're looking for faster, and help expand the potential of what they didn't know they wanted. "As the assistant paradigm blossoms over the next few years, I would want my automated personal assistant to be able to interface with the services offered by the retail kiosks around me, and alert me to what products or services might be beneficial to me, given my current life context and preferences," Cheyer adds. "An assistant will help you navigate across the services and content from many providers, and the high-level task context that will be available will bring new opportunities to customise and personalise the consumer's experience."

# "Identify travellers' 'micromoments' and be there for them with relevant offers across different devices"

Social media is the channel through which most younger consumers get to know a brand, a product, a shop, or a service. For travel retail, it is vital to stay active on social media, as Xin Deng, Managing Director of digital marketing agency Global Smiling, will explain in this afternoon's Workshop A 'Seamless Shopping: Travel Retail's Frictionless Future'. He gave Ross Falconer a preview of his insights.

hen it comes to the most effective way to engage young consumers on social media, Xin Deng, Managing Director, Global Smiling, believes it is all about novelty and genuineness. "Being active on social media does not only mean crazily sending out promotions and deals, but instead building a platform where a genuine dialogue can be conducted between retailers and shoppers," he says. "Through dialogue, retailers better understand which offers are most relevant to which types of shopper."

A key message, which Deng will deliver in this afternoon's Workshop A 'Seamless Shopping: Travel Retail's Frictionless Future', is that the industry should identify travellers' 'micro-moments' and be there for them with relevant offers across different devices and channels. "Micro-moments start when people begin dreaming of a trip, and they continue through the long-awaited trip itself," he explains. "These moments fall into one of the following four categories, which are closely aligned to the travel decision-making process: dreaming, planning, booking and experiencing. According to Google research, travellers are increasingly using their mobile/smart devices in short spurts to make informed, yet faster 'micro-moment' decisions."

As a digital marketing agency catering for the larger travel and shopping industry, Global Smiling places its focus on communication with a social audience via tailor-made editorial content and the design of relevant campaigns through geo-targeting technology. It specialises in combining online engagement with offline interaction, aiming to ensure travellers experience seamless shopping anytime and anywhere.

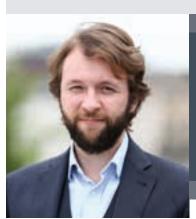
"Travel retailers should act out of their comfort zone," says Deng. "A hybrid of 'assortment-oriented' retailer and 'service-oriented' retailer, for example, can be established, in order to create a brand-new shopping experience. A retailer selling high-end cosmetic products offers a salon try-out session for 'stranded travellers' at the airport. Doesn't this sound fantastic?"

The workshop will further explore how new ways to communicate, to present the retail offer and to accept payment will transform the duty free & travel retail industry, just as they are transforming the shopping experience elsewhere.

"In my opinion, travel retail has two major weapons to win business: price-competitiveness and the natural exposure to traffic," Deng comments. "Travellers who shop within airports usually know how things work when it comes to communication or payment. Nowadays, people are seeking excitement. Why doesn't travel retail switch its focus from assortments and pricing to presentation of assortments and storytelling? I think this would make many travellers stop and look, which, as we all know, would lead to more opportunities."

Xin Deng, Managing Director, Global Smiling: "Travel retailers should act out of their comfort zone. A hybrid of 'assortment-oriented' retailer and 'service-oriented' retailer, for example, can be established, in order to create a brand-new shopping experience."





Filippo Bianchi, Partner & Managing Director, The Boston Consulting Group (Milan), will present the key findings and recommendations of a study into the evolution of the business model in duty free & travel retail during today's Plenary Session 2.

# The imperative of change in the travel retail business model

TFWA has commissioned a study of the evolution of the business model in duty free & travel retail from leading business consultant The Boston Consulting Group. Filippo Bianchi, Partner & Managing Director, The Boston Consulting Group (Milan), will present the key findings and recommendations of the report in today's Plenary Session 2. He spoke to Ross Falconer.

he second plenary session of TFWA Asia Pacific Conference will encourage a paradigm shift in the travel retail eco-system, encouraging a truly collaborative approach to improve the customer journey, so as to grow revenues for all stakeholders.

Filippo Bianchi, Partner & Managing Director, The Boston Consulting Group (Milan), will present the key findings and recommendations of a study into the evolution of the business model in duty free & travel retail.

"It's a combination of our collective experience at BCG of the different facets of the business – airports, airlines, brands and retailers, with ideas for value creation developed through a series of 20+ interviews conducted with industry professionals," says Bianchi. "Travel retail has enjoyed growth anywhere between 2 and 4 times as fast as other offline retail environments, which makes it inherently unique. We believe this has been driven by two factors – a tailwind in terms of passenger growth; and increasing spend per passenger, which has been achieved through the sophistication of retail offerings and operations, progressively tailored to the needs of the end-consumer. Five years ago, there was a de-coupling of these two growth engines – passenger growth has continued, while spend per passenger has flattened or even decreased."

He believes the industry is at a tipping point and sustained growth can only be fuelled by leveraging on three important assets:

- "Inherent data richness: travel retail is potentially the single largest offline retail environment in terms of data – each and every transaction can be mapped on a one-to-one basis, which is comparable to online in a way, but totally incomparable to any other offline retail."
- "Predictability of traffic, in terms of touchpoints, volume and profile, which again is not the case anywhere else offline."
- "The unique perception of price advantage, which, while fading, is still there."

After presenting the key findings of the report, the session will open up into a discussion between industry leaders. Bianchi will elaborate on three archetypes of ideas to develop joint value creation:

- "A joint venture for an integrated data platform of end-to-end travel data that can be used to improve the customer journey, improve commercial effectiveness, and address online competition. This would mean combining airline or airport data with retailer insights."
- "An optimisation engine to control passenger flows to ensure that the best
  possible, most personalised retail offer is the one to which each individual
  traveller is exposed. This would mean combining retailer insights into
  shopper behaviour with airports' control of passenger flows."
- "The personalisation of the commercial offer in terms of price and promotions throughout the customer journey, to match and enhance the price advantage proposition."

he title of Ignace Van Doorselaere's presentation in this morning's Plenary Session 2 is 'A Kiss is Still a Kiss', inspired by the song 'As Time Goes By' from the movie Casablanca. The Neuhaus CEO will focus on the importance of giving travelling consumers moments they will never forget.

"We all focus on cash flow and EBITDA – airports, operators and brands – and we must continue to do so. But if we're only focused on that, we'll lose the attention of travellers, as the shopping experience is not going to be exciting for them," he says. "So, my address is going to be about how to strike the right balance between creating unforgettable moments and maximising EBITDA, because you need both – that's the key message."

Plenary Session 2 will discuss the findings and recommendations of a study into the evolution of the business model in duty free & travel retail from The Boston Consulting Group. Comparatively new to the industry, having been at the helm for a year, Van Doorselaere explains that he was surprised by some of the findings. "I didn't know that non-aviation activities are so important to an airport's EBITDA, so for airports, the airlines are no longer the customer, the passenger is. Secondly, I was surprised at some of the differences between which nationalities buy most at airports, and what drives passenger spend. A key finding is that while travel retail is growing, the value pool is growing at a slower pace, so there's more travel but it doesn't translate into sufficient spending. This, to me, is the key challenge – how can we repair that?"

Van Doorselaere is a big believer in paradigm-thinking, applying that to understanding the passenger journey and translating it into increased sales. It is a topic he will address during the conference. "Paradigm-thinking is a very systemic way of applying common sense and real consumer behaviour. It's observing people, trying new things, capturing the learning, and turning that into something concrete."

Indeed, Neuhaus is working to create unforgettable moments for travellers in myriad ways. It is, for example, implementing praline tasting in airport business lounges, and giving Brussels Airlines Business Class passengers a bag of Neuhaus chocolates when they depart the aircraft.

"My thought is that we, as an industry, need to work harder on capturing more value from traveller dwell time," says Van Doorselaere. "We need to ask, what do we have to do? What impulses do we have to generate? What unforgettable moments do we have to create? How do we, as stakeholders, need to align our interests better to increase that spend?" Delegates will learn more in this morning's conference.

# Creating unforgettable moments for travelling consumers

Ahead of his participation in today's second plenary session, Ignace Van Doorselaere, CEO Neuhaus, shared some thoughts with Ross Falconer.





# After hours

The popular social programme at TFWA Asia Pacific Exhibition & Conference provides unrivalled opportunities to network and relax outside business hours. The TFWA Asia Pacific Bar opens today at 17:00, tomorrow evening's Chill-Out Party is heaven-themed, and Wednesday's Singapore Swing Party promises an unforgettable evening in a parallel dimension.

# **TFWA Asia Pacific Bar**

Today to Wednesday 9 May open from 17:00)

18:00-19:30 (except today,



Perfectly placed for an early-evening drink at the end of a busy day at the exhibition. Wind down and chat to fellow delegates at the bar, or take your glass outside onto the terrace for a fantastic view of Marina Bay and the central Singapore skyline.

Special thanks to all our sponsors



# **Tuesday 8 May, 19:30**



#### **Mandarin Oriental Hotel**

The chance to relax after a busy start to the week, the Chill-Out Party returns to the Mandarin Oriental's rooftop complete with giant pool and breath-taking city views. Massages, reflexology and gem therapy soothe tired limbs and contribute to the laid-back ambiance at this heaven-themed, candle-lit, zen-infused gathering.

- Dress code: Casual
- Entrance by invitation only (part of the full delegate status)
- A shuttle service will be available from all major hotels

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# Wednesday 9 May, 20:00



# **JW Marriott Hotel**

The climax to the 2018 networking programme transports you to another world for an unforgettable evening in a parallel dimension. Think 'Avatar' and you'll get a flavour of what awaits. Expect an otherworldly blend of music, performance and drama in a series of experiences unlike any other.

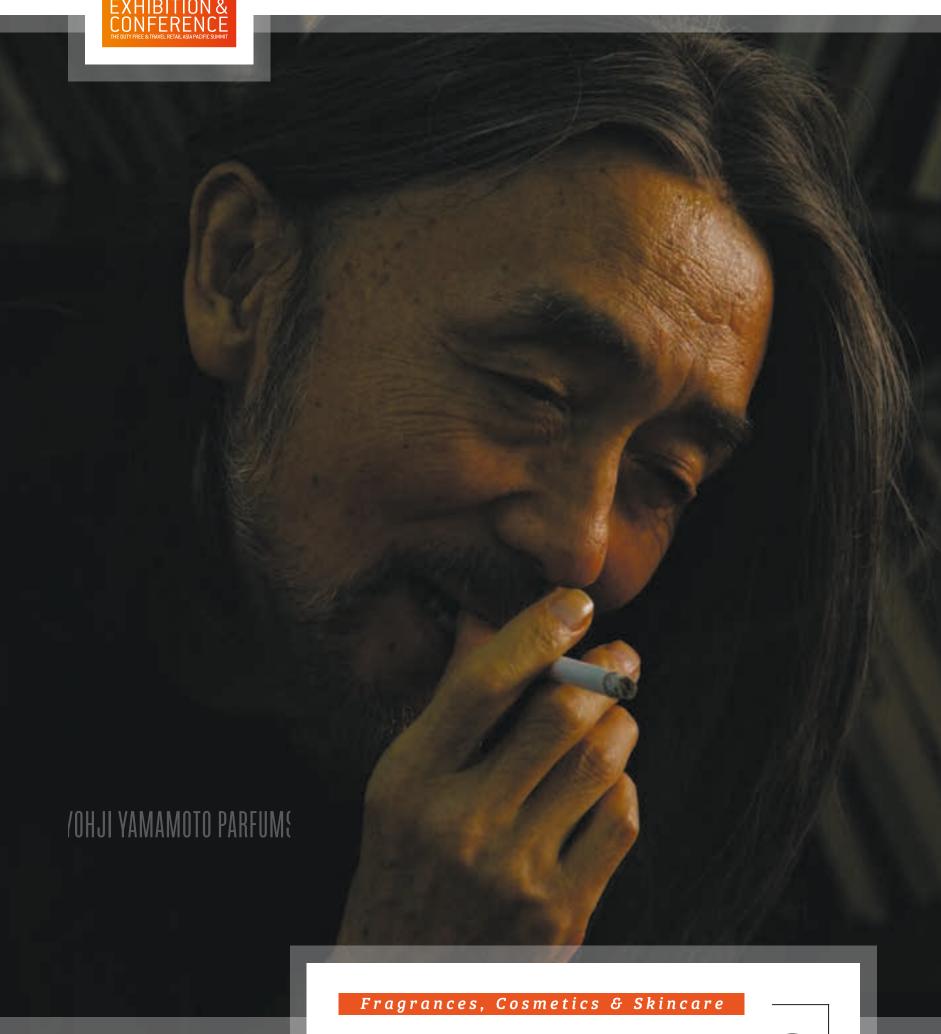
- Dress code: Smart casual, ideally something white to enjoy the full benefit of some spectacular lighting effects
- Entrance by invitation only (part of the full delegate status)
- A shuttle service will be available from all major hotels



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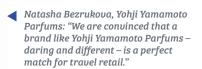
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FEATURES



A selection of leading fragrance suppliers share an insider's view of a category on the brink of something new. By Faye Bartle



Are you

taking notes?

A s nuances in the fragrance sector grow increasingly sophisticated, suppliers are seizing the opportunity to show retailers and operators how their scents can elevate the offer and propel the category into a position of strength.

"We feel that the travel retail industry is about to change," says Natasha Bezrukova, Yohji Yamamoto Parfums (Level 1/N12) – scents by the Japanese fashion designer of the same name, who is famous for his avantgarde tailoring. "Today, passengers are increasingly well travelled and their needs are constantly evolving. They no longer need a standard set of goods available everywhere, and they definitely seek something unique, different and new. Many airports now offer exclusive products, services or zones, and that is what makes a busy traveller stop and pay attention."

She continues: "A brand like Yohji Yamamoto Parfums (YYP), daring and different, is a perfect match for travel retail. We are currently re-launching our project worldwide and hope YYP finds its place at airports that feel it's time for change."

The strategy is to help offer a refreshment of sorts, by introducing different brands to the channel, finding likeminded partners in the process.

"If we can find partners that believe the same things we do, we can build something great together," says Bezrukova. "Japan, as the home of the Yohji Yamamoto brand, and Asia Pacific in general, boasts the highest brand awareness, so the Singapore show is in exactly where we need to be."

In terms of what's trending now: "It is universally accepted that Asian consumers prefer subtle fragrances due to historic and cultural factors, but more and more shoppers in the region are opting for fragrances with charisma," says Bezrukova. "It still is a very young trend, but we are optimistic that YYP could, in a way, disrupt the status quo and win the hearts of customers."

And as tastes grow more complex, YYP is positioning itself to capitalise on demand. "Mono-fragrances or fruity florals eventually make way for more complex scents, synthesised molecules and niche aromas," explains Bezrukova. "Consumers seek a feeling of belonging to the idea behind the brand, choosing the entire ideology rather than just a bare product."

The quest for newness is backed by healthy spending power.

"Niche fragrances are increasingly present all over Asia, as some customers don't want what classic customers wear today; they are now willing to spend over £150 to have something special," says Frédéric Ruffat, Export Manager APAC, CARVEN Parfums (exhibited by Jacques Bogart Group, Basement 2/F22). "Perfume has always been a specific gift for each individual customer and something that's related to their identity. Today, people wish to wear a fragrance that matches the weather, their habits, their outfit and will now own a perfume for every occasion: winter and summer, workdays and weekends."

Another leader in the niche perfume category, Etat

Libre d'Orange, highlights the importance of catering to demand, rather than attempting to dictate it. "The funny thing with our industry is that our so-called experts fool themselves into believing brands create trends, when actually, they strictly answer consumer needs," says Olivier Mariotti, Managing Partner – International Markets, Etat Libre d'Orange (Basement 2/B11). "That reminds me of a citation by the founder of Clarins, who said success was easy as you just had to listen to the consumers and bring them what they need."

He continues: "In Asia, the big turnaround, or evolution, is the fragrance awareness that is building





Shiseido Travel Retail's Narciso Rodriguez: Narciso Eau de Parfum Rouge.



Etat Libre d'Orange is partnering with retailers demonstrating an interest in its niche perfume category.

in new markets like China. For once, Korea could be left a bit behind in terms of innovation and consumption pattern."

The company is steadily growing its presence in travel retail, partnering with retailers that are showing an interest in the niche perfume category, backed by strong merchandising. Its latest addition is in Duty Free Americas JFK Terminal 7. "We will continue opening key outlets worldwide whenever the interest for the category will exist and the criteria is met," says Mariotti. "The quality of the retail proposal in Asia, of course, attracts our attention. Fragrance, however, is still a small player in the overall beauty category. We carefully monitor the evolution of thought and are on the lookout for new trends, especially in new markets like China."

A first-time exhibitor in Singapore, Per-Scent is focusing on developing its presence with its brands Missguided, Twist and Spritz. "Consumers are increasingly 'international' and have access to a lot of information through online and offline communication," says Vipul Vadera, CEO Per-Scent (Basement 2/E14). "Consumers in APAC are not that different from other countries. We just have to understand that the approach needs to be different and the fragrances have to adapt to where those customers were raised. Indeed, successful companies will be the ones taking the lead on adapting to local culture."

#### Bringing fragrances to life

When it comes to making that vital connection to a shopper, content is king.

"We're storytellers who create audacious and original concepts to leverage emotions and create a unique product for demanding and individualistic shoppers," says Mariotti. "Our perfumery is not for everybody, and that's what our consumer base likes and is looking for when they venture into our brand. A growing number of consumers are bored with the product offer of the commercial perfumery, hence the growing market share of the niche industry focusing on more elaborate and rich formulas and original concepts."

Bringing a sensory experience into a travel retail environment presents something of a catch 22 for the brand, however. "A simple tester bottle sitting on a shelf doesn't do the job for us, and having dedicated, trained staff is almost impossible to organise in today's travel retail world due to the economic constraints. We, therefore, discuss with operators

the opportunity to allocate a specific location to our category of products to be able to offer a different kind of shopping experience, where we can share, explain, advise and propose."

Funnelling the right information to the right audience can be a challenge.

"Customers are now very connected with each other," says Ruffat. "They know about the latest trends and check advice from their friends and bloggers.

Advertising on mobile is outdated. Advising customers through key opinion leaders (KOLs) is the only effective strategy to reach your target and make a proper launch."

The motivation to buy, however, runs deeper still.

"People perceive information via many channels, much of it subconsciously, and they form a picture that resonates on so many levels," says Bezrukova. "It is not just the juice, it is a combination of visual and sensory elements. If you take a look at our product, even the complexity and minimalism of the box reminds you of Yohji's tailoring: it is multi-textured and completely black, which makes it stand out. And the fragrance's notes speak Yamamoto's message — you know it is something authentic and whole. It's a balance of the right elements giving a green light to your intuition, and making an emotional purchase possible."

Shiseido Travel Retail (Level 1/U9), which is highlighting Issey Miyake L'Eau d'Issey Pure Nectar and L'Eau Super Majeure d'Issey; Narciso Rodriguez Narciso Eau de Parfum Rouge; and Elie Saab, Girl of Now Shine at this year's show, also favours taking a bespoke approach. "Personalisation is a key factor for us and we respond to this through animations such as one for Dolce&Gabanna The One, which took place in Charles de Gaulle Airport in September 2017, where customers had the opportunity to personalise their own The One perfume bottles with an engraving of their choice with every purchase of The One," says Vice-President Marketing Elisabeth Jouguelet.

#### Electric dreams

Drawing on technology is a tool that fragrance suppliers can also leverage to their advantage.

"Digital is huge for niche products because our consumers are perhaps a little bit more aware and connected than the average," says Mariotti. "If, as a consumer, you want something rare and unique, it makes sense that you have the means to look for it. Our digital does not specifically focus on 'mobility' – we strive to give content, and are very productive and aggressive with the regular social media platforms."

As Vadera says: "Instagram, Facebook, and celebrities are part of a consumer's daily approach, and communicating with our consumer will allow us to connect and stay aware of their needs."

A case in point comes courtesy of YYP: "I.F.D. Fragrance Distribution Co. Ltd, the official Yohji Yamamoto licensee, is a part of Alkor Group, the biggest beauty retailer and distributor in Russia with more than 1,000 doors of its own chain L'Etoile," explains Bezrukova. "During the recent pre-launch of the new fragrance I Am Not Going To Disturb You, we stepped beyond standard launch schemes by creating a real exhibition within the store, dedicated to Yohji Yamamoto's life. We built a digital zone, where you could see the video, and placed statement boards and installations throughout the store connected by a red walking line, enabling customers to walk through the master's life. And through that emotional connection, we made people grasp what Yohji's world is about, involving them, educating in a way, so that at the end it wasn't just a fragrance but a bottled statement that many wished to own immediately."

Looking to the future, being authentic is crucial for earning loval customers.

"A key focus of our Vision 2020 is being consumeroriented – consumers are the heart of our business and retaining our existing customers is just as important as acquiring new ones," says Jouguelet. "With digital technologies, we are able to find new ways to engage

Carven Dans Ma Bulle is a floral, oriental, powdery scent.





with those existing customers, strengthening our relationships with them and building their loyalty. At the same time, digital is a great platform to engage new customers, particularly digital savvy millennials."

She continues: "We are actively making use of digital in unique and different ways across various countries and regions, primarily to drive brand awareness and attract new customers, but also to create a more personalised brand experience for existing customers."

For Etat Libre d'Orange, choosing the right retailers and retail environment is paramount. "Travel retail is on the lookout to modify the shopping experience, and to grow by diversifying the offer and not just feeding on consumer flow/traffic," says Mariotti. "We have a real opportunity there, working with the retailers integrating their constraints into our expertise of this

Shiseido Travel Retail's Issey Miyake: L'Eau d'Issey Pure Nectar and L'Eau Super Majeure d'Issey.

new category and its demanding consumers."

"The issue that every brand faces is a chance to be heard – heard in a choir of a million voices, which makes today's customer overwhelmed and less responsive. For smaller brands, this is doubly so," adds Bezrukova. "So, all there is to focus on is being the brand's unique self, having a strong team of likeminded professionals behind it, and daring to be different. What matters the most to us is choosing the right positioning and being 100% percent true to the brand's DNA. That is the only opportunity every brand actually has."







Learn more about the fragrances innovations being presented at TFWA Asia Pacific Exhibition & Conference by visiting the TFWA Product Showcase (www.tfwaproductshowcase.com). Scan this code to visit the TFWA Product Showcase

# Case study: Puig's Chinese New Year success

hird-generation family-owned fashion and fragrance business Puig (Basement 2/K11) is continuing to apply its fragrance category development strategy with Asian consumers in the travel retail channel with the launch of its first-ever global airport animation of Prada fragrances during the Chinese New Year period.

With a focus on the Prada Candy range, coinciding with the launch of the new limited-edition Prada Candy Floral collector, the global activation featured a special Chinese New Year (CNY) key visual and product sleevers, in auspicious red and gold, to commemorate the Year of the Dog. Puig also developed an exclusive CNY gift-with-purchase Prada pouch and sampling ritual for all Prada fragrances playing with lucky Hong Bao (red packets). The activation was rolled out in key airport locations for Chinese passengers throughout the world, including the decoration of Prada permanent furniture.

"Our CNY campaign with Prada is an example of how Puig is working to deliver tailored and more relevant offers for travellers from different nationalities and cultural backgrounds," says Global Travel Retail Vice President Antoine Lafourcade. "Seasonal gifting activities are a constant feature in airports worldwide, and with our focus on developing the fragrance category among Asian consumers, especially the Chinese. We are very pleased to take this first step during CNY and look forward to working with our retail partners on more of these initiatives in the future."



Puig launched its first-ever global airport animation of Prada fragrances during the Chinese New Year period. Pictured: Shilla Duty Free, Changi Airport.



Puig's Chinese New Year animation with Prada offered a sampling ritual for all Prada fragrances, playing with lucky Hong Bao (red packets).



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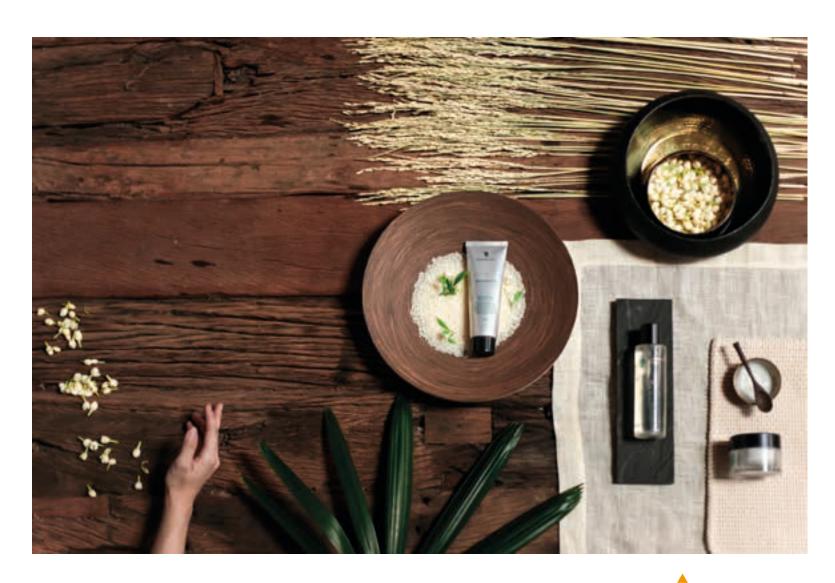
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# Mirror on the wall

A desire to slow down the pace and discover beauty brands that offer time for calm reflection is something suppliers in travel retail are leveraging to their advantage. By Faye Bartle



atural beauty products are nothing new, but people are becoming increasingly selective about the skincare and cosmetics brands they use, and this may even be changing the way they shop.

"A focus on health today isn't confined to what consumers put in their bodies. Now, we're just as aware of what we put on our bodies. But, the ways in which shoppers are looking for more natural beauty products is already evolving," says Natalie Ohayon, International Key Account Manager, AHAVA (Level 1/P7). "And what 'natural' means to one shopper may be very different to what it means to another. For instance, 45% of female facial skincare users in China plan to use products made with natural herbs/plant ingredients more often to improve their skin."

As the only authorised cosmetics factory that is physically located in the Dead Sea area, AHAVA is a leading brand in mineral skincare, backed by 30 years' research and development. It is planning a multimillion-dollar media campaign in the US this year that's

expected to drive significant growth in both its online and bricks and mortar channels. This year also sees the launch of its super luxury sub brand, Lumior by AHAVA, which encompasses a lifestyle assessment, expert personalised support and formulations created around nature. This will be sold in luxury concept stores located in prestige shopping areas, managed by franchisees.

"The Dead Sea has always been linked to the health of the skin and beauty, and in today's world when consumers are constantly seeking a trustworthy 'reason to believe', they are appreciative to discover a brand like AHAVA," says Ohayon.

The bestselling products belong to the face category, with the skin firming and wrinkle targeting EXTREME line topping the list. The OSMOTER SuperSerums, which launched in 2013, and the bodycare line, including the bestselling hand cream collection (one is sold every 10 seconds around the world), are also driving growth.

"Asia Pacific clearly dominated the market in 2017," says Ohayon, which is the same year that the

Banyan Tree offers its bestsellers in compact travel sizes, including aromatherapy essentials such as candles, perfume oils and aromatherapy balms, designed to keep people feeling rejuvenated and refreshed during their travels.

brand launched in China. Today, AHAVA products can be found on e-commerce websites such as WeChat, Taobao, T-Mall Global and others, with a shop in K-11 and a presence in upscale hotels, including Atlantis Sanya. "A high proportion of the elderly and young population, coupled with more women entering the workplace is majorly propelling the beauty and personal care products market in this region. The awareness of personal appearance, increased focus on personal care and rise in disposable income are also several factors that are driving growth."

"One of the rising beauty trends in the region is

definitely natural beauty, where less is more," agrees Applelynn Teo, AVP – Design & Production, Banyan Tree (Level 1/N16), which has more than 72 retail outlets worldwide within its properties, with inflight duty free listings on Bangkok Airways, and a presence at Koh Samui Airport and Lotte Duty Free in Bangkok. "We strongly believe that beauty comes from within – such as cultivating mindful practices and self-care through the little things we do in our daily lives. People are now more willing to invest in products made with natural, sustainable ingredients that benefit the inner health and body. This shift in the market trend has also pushed brands to create more natural and sustainable products – both for ingredients and packaging."

The overarching Banyan Tree philosophy is to create products that are naturally good for people and the planet, ensuring there is minimal waste and only recycled or recyclable materials used in the packaging. Drawing on Asian wisdom further elevates the proposition. "We seek to combine the rich heritage of Asian-inspired ingredients and traditions with natural, botanical blends," says Teo. "Our products are designed to inspire moments of wellness, even when on the go, and are sized for easy packing."

Products from its bath and body series' are available in travel sizes, and the company has also created compact aromatherapy products, such as perfume oils and balms, that are ideal to use while travelling. The company has spent 18 months reformulating its products, and it is now focusing on educating consumers and enhancing the offline shopping experience with experiential modules – especially through pop-ups in its key Asian markets of Hong Kong and South Korea.

"We guide the customers through their shopping experience with various visual assets, such as evocative imagery, to highlight the key, active ingredients and



Moroccanoil is renowned for its iconic hair oil, body oils and signature scent, including the Fragrance Originale Collection by Moroccanoil Body.

benefits in each collection. We also have interactive displays, such as a scrub station and DIY essential oil mixing station, for customers to understand our products better, as well as overall visual merchandising to reflect the brand's philosophy," says Teo. "We also section our shelves into different skin/body concerns, so customers can access and refer to the products they need more easily."

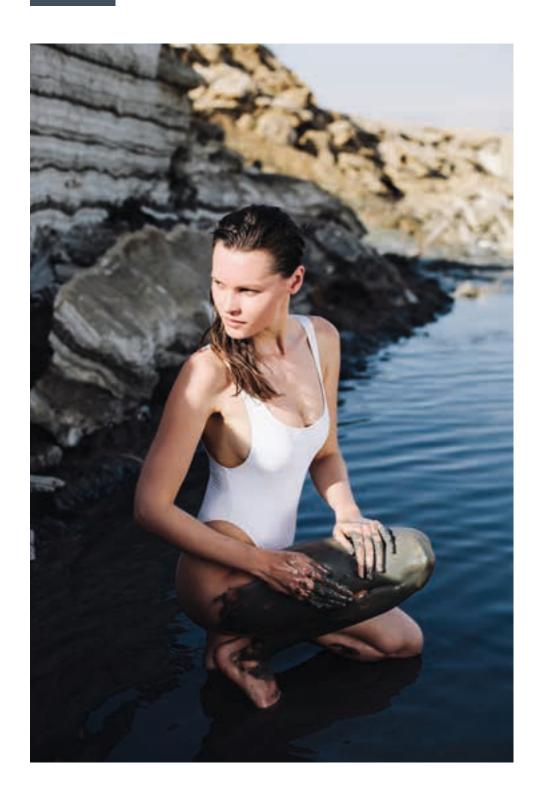
Sales assistants are trained on understanding and anticipating customers' needs and how to communicate the right products and their key features. "As customers may not have the time to learn about our brand and products when they are travelling, we also highlight our product ingredients and key benefits," says Teo. "Evocative imagery helps customers to better understand the ingredients. We also showcase the makers and partners behind our products, so customers know where and how our products are made."

Banyan Tree's bestselling collection is Thai Chamanard – the signature bath and body range bath amenities used in all Banyan Tree Hotels and Resorts. For aromatherapy, incense sticks and the Lavender & Bergamot Sleep Enhancer, as well as the essential oils, have also been well received.

Speaking of which, oils are more popular than ever. "Currently, the biggest emerging beauty trends in the Asia Pacific region are oil-infused beauty treatments, masks (facial, body and hair), as well as merging the science, innovation and regimen aspects of skincare with the haircare category," says John Gates, Vice President, Retail and Travel Retail Sales, Moroccanoil (Level 1/S16).

Famous for its iconic hair oil, body oils and signature scent, Moroccanoil has earned something of a cult status, with impressive success in the channel. The brand is available at international airports throughout Europe and North America with partners Heinemann,





DUFRY, Lagardère, Kappe, DFA and TAIRO. In the past year, the company opened airport POD/POS in Mumbai, Turkey, Russia, Brazil, Uruguay and Argentina, and is focusing on Asia Pacific airports in 2018 and 2019. The brand is also listed with more than 30 carriers globally to-date.

# Trading on your looks

With a rich experience for the consumer in mind, 'transforming everyday routines into more meaningful moments' is the essence of the Rituals Cosmetics philosophy and the rationale for each of its products – something that sparks an emotional connection for consumers.

"Simply by taking time out of our busy lives to enjoy a warm bath with candles and oils, savouring a cup of refreshing tea, or by treating ourselves to a minitreatment at home, we can help create a meaningful, memorable experience during our rare moments of 'me time'," says Neil Ebbutt, Director Global Travel Retail, Rituals (Level 1/S8). "The promise of enjoying the small pleasures in life, together with the brands' 'slow shopping' attitude, encourages shoppers to de-stress, enjoy and pamper themselves. Offering customers a cup of soothing herbal tea or a complimentary hand massage while they test the products in-store, gives

them the opportunity to enjoy the moment."

Today, the brand is available in travel retail in almost 400 locations across 39 countries. The company also has 10 standalone airport stores, 280 shop-in-shops, works with 10 airline partners, and is onboard 120 cruise and ferry ships. On top of all that, the brand is present at more than 1,500 luxury boutique hotels and at leading chains, such as Clarion in the Nordics.

Collistar (Basement 2/F2)
is presenting its
special Perfect
Body line, which
features three
truly high-tech
specialities: the
Anticellulite
Draining GelMud, the Pure
Actives Anti
Stretch Marks
Concentrate, and
the Toning
Talasso-Scrub.

Ahava is planning a multi-milliondollar media campaign in the US this year that's expected to drive significant growth in both its online and bricks and mortar channels.

The company has identified Asia Pacific as a major area of growth. Last autumn Rituals entered Asia with a shop-in-shop in the DFS Galleria in Causeway Bay in Hong Kong. Based on the initial success, it has expanded its downtown shopping in Hong Kong, with more announcements to come.

"In our own branded standalone airport stores we have great scope to build in real experiential dimensions, such as spa services in 15 minutes, water basins that allow customers to try the products, and some spectacular in-store promotional activations," says Ebbutt. "Elsewhere, we have implemented some spectacular pop-up concepts with experiential activations."

In travel retail, the brand presents a mixture of its domestic bestsellers alongside a number of travel retail exclusives, and is currently looking to expand its gift, home and EDP offer to cater to demand.

As a derma brand, Dr.Jart+ shines a light on 'healthy beauty', with a heavy focus on research and development. It is positioning itself as a trendy brand, combining reliable products with its own artistic culture, with fun experiences for consumers. A bestselling product is the Rubber Mask, inspired by those used at a dermatologist's office. Also, the Cicapair line suits those who are exposed to environmental pollutants, irritants and stress, and is expected to continue receiving a positive response.

"The make-up market has grown rapidly and is likely to grow continuously due to the influence of content consumed by customers," says Soo Song, Regional Manager, International Sales Division/Travel Retail, Dr.Jart+ (exhibited by Have & Be Co. Ltd – Level 1/R21). "However, the skincare market is expected to grow due to environmental issues, such as fine dust and UV rays. Recently, an increasing number of smart consumers purchase cosmetics after checking their ingredients to protect skin from harmful chemicals. Thus, derma cosmetics that emphasise 'hypoallergenic' or 'product safety tested' labels are againing attention."

In addition to significant growth in the Korean duty free market, Dr.Jart+ was launched in 55 points of sale (POS) overseas alone as of December 2017. After its launch in major global operator stores, including CDFG, King Power, Dufry, Heinemann, Dubai Duty Free, DFS and Starboard, the brand has achieved impressive results and is continuing to expand its POS this year.

As a luxury brand, La Prairie's mission is also to surprise and delight. "We recently implemented an art exhibition with five striking installations at Zürich Airport," says Laurent Marteau, Vice President Global Travel Retail, La Prairie (Basement 2/K24). "In general, our outposts are always done in the most exclusive way, not only focusing on the profitability, but also on the brand image and status within our travel retail channel, which is our window to the world."

La Prairie's 20 most successful products are all part of the luxury collections that include Platinum and Skin Caviar collections. Bestsellers are Skin Caviar Serum and Skin Caviar Liquid Lift, and its eye category is

growing fast. The company has also
recently launched the Skin Caviar
Essence-in-Lotion in a special
250ml-size bottle, exclusively
available at Shilla Duty Free.
Marteau cites the growth
of luxury brands and the
success of Japanese and
Korean brands as key
drivers for trends.
"Our clients are
looking for more
sophistication and
performance; they
now see the benefits

of a more developed

skincare regimen.



Skin is really perceived as the most important asset: this is a 'philosophy' that originated in Asia, but is now global. There is also an appetite for innovation, and immediate and visible results."

#### Beauty and the boarding pass

Zooming in on consumer needs, it is interesting to note that 31% of Chinese consumers aged 20-49 say that 'individuality' defines luxury, according to Ohayon. "Shoppers prefer brands that earn 'honest' money," she says. "Terms like 'cruelty-free' have become branding buzzwords and there's now an expectation for corporations to give something back to the world. Younger generations in particular don't like labels and increasingly strive to live in a society that's free of 'isms'. When purchasing products, they want to be sure their brand choices are aligned with their personal values."

It follows that people who travel are more open to discovering new brands. "The level of curiosity and openness increases when people leave their routine and go to explore the world," says Ohayon. "We definitely experience this in Israel travel retail, as tourists visiting Israel have either experienced or heard about the wonders of the Dead Sea and for them it's an opportunity to pack this experience by buying AHAVA products."

With a travel-sized line and a wide range of grab-and-go products especially for the travel retail market, including a range of mini tubes of best-selling muds, creams and cleansers, and sachets of best-selling masks, AHAVA is covering all bases.

"Within the body category, we are finding that hydration and repair concerns are top of mind," says Gates. "At a time when many women live very active lives, it is important to protect and nourish the skin. This is why we launched Moroccanoil Body."

Moroccanoil offers three ongoing travel hair-exclusive sets specifically curated for those seeking volume, hydration or styling. A travel-friendly size of the iconic Moroccanoil Treatment, in both 50ml and 25ml, means fans never need be without their hero styling product.

"Price and exclusivity are definitely still the two biggest consumer drivers; however, convenience is certainly becoming a motivator within the travel retail channel," says Gates. "It is very important to be aware of the respective passenger profiles for each of your brand's POD/POS locations, in order to speak accordingly within that particular space. Although Moroccanoil currently has distribution in over 65 countries and counting, there are many emerging markets where the brand does not yet have a presence. That said, we have such strong brand awareness through social media and other digital platforms that our current international POS locations are where this client can engage with the brand."









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Rituals says well-trained and motivated store staff with knowledge of and passion for the products, as well as an ability to communicate it, is of key importance. The company added a dedicated travel retail trainer to its expanding travel retail team at the start of the year.



### Facing the future

Underscoring the dedication to nature, Banyan Tree is promoting a variety of extras to its customers. "Consumers are looking to infuse more self-care in their daily routines and cultivating a more mindful lifestyle beyond just looking for products that solve their skincare needs," says Teo. "This mindset motivates them to choose products that not only pamper their skin in their desired ways, but also serve to unwind and reconnect with themselves amid the daily stress of hectic life."

One of the strategies for customer retention is rewarding purchases through a reward system that invites them to enjoy other services at Banyan Tree.

"We also seek to enhance our products by offering our customers a more personalised service such as giftwrapping," says Teo. "Our collapsible gift boxes are handmade with mulberry papers and our fabric wraps are recycled from plastic bottles. We wrap our gifts in the furoshiki-style using the elegant multi-functional fabric wraps, which our customers can also use as a pretty scarf or headband."

Consistency offers a sense of security.

"While the brand message is uniform throughout the world, as we maintain one marketing language, we convey it in a different way between the different channels of distribution in order to better reach the consumers," says Ohayon. "The message is always about who we are, what is our expertise and what we do best: AHAVA brand is the definitive Dead Sea Mineral beauty expert. In our Israel chain store we host a wide range of tourists from all over the world. There, we have created more than just a shopping space, but rather translated the Dead Sea benefits into an in-store sensory experience, combining 'show and tell' presentations, audio and video accessories to demonstrate the natural powers of the Dead Sea elements, which we combine in our products."

Chantecaille (Basement 2/B16) is presenting its new Gold Recovery Mask, which is infused with 24k gold and powerful firming ingredients that fight inflammation and repair damage, leaving the skin transformed and radiant.

As a newcomer to the global duty free market, Dr.Jart+ is figuring out its next move. "The needs of customers for each channel are expected to be different," says Song. "For example, since consumers at duty free shops in the city centre seek value more than easy-to-carry sizes, jumbo-sized products with guaranteed savings will be preferred. On the other hand, consumers at airport duty free shops will look for more compact-sized products for gifts."

Rituals has just signed with Essence Corp to work

together across the Americas. Other recent notable successes include gaining a first-time presence in the Middle East with Dubai Duty Free and DFS and in Hong Kong with DFS.

"The Asian market for cosmetics is booming," says Ebbutt. "I haven't seen the full 2017 global travel retail sales results from Generation, but the region already accounts for over 50% of global travel retail beauty sales so the challenges are also about meeting demand and expectations. Regional skincare brands dominate





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**BASEMENT 2 - STAND J-19** 



Travel retail represents 25% of La Prairie's sales and is its window to the world.

the market, but there is a huge opportunity for any brand that can deliver authenticity and a unique selling point as the demand here for new and exceptional beauty products seems almost insatiable. The biggest opportunities for growth are, therefore, from more diversity in product categories such as home products. EDP. sun-care. travel exclusives and limited editions."

As for La Prairie, service is everything. "We want to grow travel retail through the best service in the industry, which means dedicated beauty advisors, properly trained and coached, who can interact and serve in the best way possible the consumer," says Marteau. The company's aim is to be fully personalised in all points of sale. And while we can expect to see

some doors opening in Asia, the brand's overall approach is to stay and remain within its current tally of 300 locations worldwide.

Through our exclusive service strategy, we want to review how we can treat the client better, even in an airport environment; this is the deployment of Art of Perfection." says Marteau. In terms of distribution. the company will continue to expand in China regional cities with the support of China Duty Free Group and is set to enter Haneda and Chubu airports by the end of 2018, marking a presence in all key airports in Japan. "We want to have the best distribution possible: fully personalised, with the best locations within the luxury environment as we believe this is a key driver for the travel retail channel at the moment. Our goal is to grow fast in 2018. Our retail objective is to grow above 50% worldwide, faster than our competitors." Time will tell if those suppliers are up to the challenge.



Learn more about the skincare & cosmetics innovations being presented at TFWA Asia Pacific Exhibition & Conference by visiting the TFWA Product Showcase (www.tfwaproductshowcase.com). Scan this code to visit the TFWA Product Showcase

# **Spotlight on Shiseido**

hiseido Travel Retail (Level 1/U9) is also seeing an increasing interest in holistic beauty, with emphasis on fresh and natural ingredients.

"In response to this trend, we launched SHISEIDO WASO last year; inspired by 'Washoku', a Japanese philosophy that translates into 'respecting individuality to maximise the ingredient', it harnesses the power of natural Japanese ingredients such as white jelly mushrooms and botanicals to strike a balance between the body and mind," says Vice-President Marketing Elisabeth Jouguelet. "There is also a trend for the fresh-faced and natural look, with consumers looking for cosmetic products that enhance natural beauty."

Products such as Clé de Peau Beauté's Radiant Cushion Foundation respond directly to this trend. Digital is also a key focus, with standout innovations such as bareMineral's MADE-2-FIT App, which was launched last year, leveraging skin-matching technology from MATCHCo to create personalised products tailored to individual users.

"Digital is also featured strongly in our animations, such as The Beauty of Thailand campaign, in partnership with King Power Thailand, held last year, which sought to target Chinese travellers before, during and after their trip to Thailand," says Jouguelet. "The campaign adopted the omnichannel approach and was amplified on digital platforms such

as WeChat, Weibo, Facebook and Instagram; strongly integrated with in-store experiential activities. We also created a Postcard App, which users could access by scanning a QR code at the animation outpost with their mobile phones, resulting in a seamless offline-toonline integration.



SHISEIDO's WASO Your Skin Diet sets.

In the second half of 2018. Clé de Peau Beauté will embark on a series of VIP events for customers. inviting them to embark on a journey to 'Unlock the Power of Radiance'. The experience will involve a curated experiential walk-through of the making of La Crème through an illustrated animation via projection mapping. Customers will also receive a hand-drawn portrait of themselves by South Korean fashion illustrator Jaesuk Kim, famed for his SuSu Girl illustrations.

There is also the hotly anticipated launch for the revitalised SHISEIDO Ultimune Infusing Concentrate in May with a tailored campaign, #StrongSouls, alongside an innovative animation at Changi Airport in association with Shilla.

"Response to our travel exclusives (TREX) have been very positive, and they make up a significant proportion of our overall portfolio," adds Jouguelet. "We are always working to expand our TREX offerings, introducing bestsellers in travel retail exclusive sizes, as well as entire collections like SHISEIDO's WASO Your Skin Diet sets."

Shiseido Travel Retail is executing a month-long animation at Singapore Changi Airport Terminal 1 to celebrate the exclusive travel retail pre-launch of its revitalised Ultimune Power Infusing Concentrate.





Toacker

# Playful trends

The children's market now covers a very broad range of product types to meet genders, age ranges and individual preferences. Marta Dimitrova explores the latest trend-setting products in the sector, where innovation meets tradition.

# Strong demand for plush

Aurora World (Basement 2/G6), a global leader in plush toys and high-quality gift products, and a respected leader in the character and content industry, offers an extensive range of branded and licensed products for children and adults.

"We have unique licensed brands that are not available from any other supplier, such as YooHoo & Friends and Tokidoki, but we are also highly flexible and can create bespoke lines to meet individual retailer's requirements," says Garry Stoner, Sales Manager, Aurora Travel Retail. "We are world leaders in our product development capability, which enables us to keep our assortment up-to-date and on-trend – very often leading the field in new product innovation."

Indeed, the brand offers a comprehensive collection of delightful products that suit the everyday purchase. It offers a selection designed specifically to maximise sales at key times of the year, such as Christmas, Valentine's Day, Easter, and Mother's Day. However, Stoner ¬explains: "There are trends that come and go, for example licensed merchandise is strongly affected by film releases, a particular product could sell well one year then the following year fall off a cliff as the film is no longer showing and the consumer has moved on to the latest release. Whatever the trends may be, there remains a demand for plush – which appeals to children (and adults) of all ages and genders."

In terms of innovation, the company is constantly developing softer, more 'feel-good' fabrics, while it also has an increasing number of products that talk, move or make animal noises.

Stoner believes that: "Technology will continue to play its part in the development of the kids sector, however we see plush as a more traditional – back-to-roots type of purchase that will continue to take an increased share of the kids sector by representing good value and longevity after purchase and, of course, they have a very wide appeal to all nationalities, genders, age groups."



Aurora World recognises the everlasting demand for plush toys, whatever the latest trends may be. At TFWA Asia Pacific Exhibition & Conference the brand showcases its latest Sparkle Tales collection, which focuses on unicorns and other mythical creatures, that have proved very popular, using new supe soft fabrics with sparkle accents.

# Gifting is crucial

Apple Beauty (Level 1/Q17) is recognising gifting as a remaining trend.

"Gifting is crucial, anything we do focuses on being the best gift," explains Antonio Lemma, General Manager, Apple Beauty. "The fragrance note by itself is also important, but more relevant is the gifting part and the perceived and practical value you give."

Apple Beauty's main target audience Apple Beauty's main target audience is children older than five years, as well as teenagers. However, the main focus falls on the parent's sensibility. Apple Beauty sells its products at places where parents shop, and it strives to produce quality products that meet their expectations. For the brand, travel retail is only a small portion of its sales, however Lemma says it is

"the best window for the products".

He adds: "We are into licensing products where so many players have the same brands to offer, so what we have to do to be unique is invest on new custom design, outstanding quality, best usage of the packaging that always becomes a toy for the child.

"The real difference is the high quality, the exclusive custom design, the attention to make every part of the product become useful for the consumer and the fact that we produce in the US."

#### **Educational fun**

"What we have to offer is a perfect match, as LEGO play enables children to have fun while playing and spend hours on building," explains Lise Dydensborg, Travel Retail Marketing Manager, LEGO (Basement 2/G28).

With this in mind, the company comes to TFWA Asia Pacific Exhibition & Conference with a range of new and exciting products. One of the highlights is the new LEGO NINJAGO Spinners, where kids can learn about different minifigure spinning, rolling and jumping techniques and tougher skills using the included rack as an obstacle.

LEGO's main target audience is the shopper looking for a great gift to bring home to their children. "The vast majority of travel retail LEGO purchases are made without the child. We need to take this into consideration when we make our communication and product offering to the shopper. It has to be easy for the parent or grandparent to find just the right gift."

Dydensborg continues: "For some airports which have a more touristic profile and thus serve more families, we aim to have an engaging and fun element for the children, so that they can play while their parents shop."

The company has, in fact, installed a fun and engaging activity – 'Minifigure Me' – in its two Copenhagen Airport stores, where both kids and adults can figure out which minifigure they are by scanning their hand on the stand.

LEGO focuses on ensuring that families travelling with children get the opportunity to engage with the brand by providing a fun and hands-on experience instore. The company has installed a fun and engaging activity -'Minifigure Me' – in its two Copenhagen Airport stores, where both kids and adults can figure out which minifigure they are by scanning their hand on the stand.





# Fresh-looking packaging

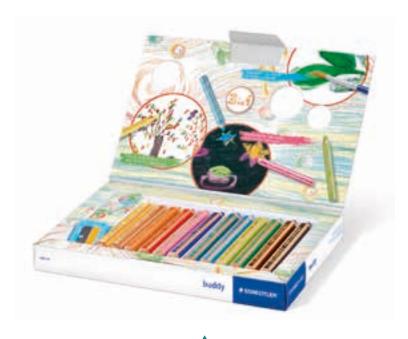
MosquitNo (Basement 2/G01) is a truly innovative brand in the insect repellents category, not only with its use of child-friendly ingredients, but also in the look and feel of the packaging.

"We try to make our product look fresh and fruity and not look like a 'traditional' boring insect repellent product," says Etienne Hendickx, CEO.

For MosquitNo, providing product combinations that will protect the whole family is of utmost importance. One of its best products that reflects this is the MosqutiNo Family Spray, which can be used by pregnant women and children above six months old.

"Combining products is one of our strongest USPs in travel retail. Think of the Sun Cream and After Sun package we introduced. Protection during the day with the MosquitNo Insect Repellent Sun Cream against sandflies, and when the sun goes down you can use the MosquitNo Insect Repellent After Sun Cream for protecting you against mosquitoes while also giving the moisturising after sun affect."

During TFWA Asia Pacific Exhibition & Conference, MosquitNo will introduce its new innovation, 'Three of a Kind', for inflight and duty free. The new concept includes three product combinations for the travel retail sector that will protect the whole family.



At TFWA Asia Pacific Exhibition & Conference, STAEDTLER will present 'buddy' – a colour pencil for children, giving them an early start to a creative life. STAEDTLER's 3in1 principle enables 'buddy' to combine the attributes of a coloured pencil and a wax crayon, and it can also be used as a watercolour pencil.

#### Digital-age thinking meets tradition

STAEDTLER's (Level 1/P11) products inspire creativity in its customers throughout their lives. From child's first crayons to creative design products, the writing materials and creative goods manufacturer provides a wide range of products for all ages and to meet all needs, and bring fresh, digital-age thinking to tried and tested products.

Axel Latteier, Head of Premium Writing Instruments and Head of Retail, STAEDTLER, explains: "Our main target audience is split into two – travellers looking for presents and families travelling with children. Brushes, pens and pencils should all be an integral part of childhood. Colouring and drawing develop a wide range of skills in children and thus strengthen the brain structures required for successful learning. At the same time, colouring and drawing help children to relax and promote concentration."

At TFWA Asia Pacific Exhibition & Conference, STAEDTLER will present 'buddy' – a colour pencil for children, giving them an early start to a creative life. STAEDTLER's 3in1 principle enables 'buddy' to combine the attributes of a coloured pencil and a wax crayon, and it can also be used as a watercolour pencil.

Latteier adds: "The digitalisation of everyday life has reached families and thus also children. Today's digital natives grow up with the internet and feel at home in the digital world. But pen and brush should still remain an integral part of childhood. Creative techniques such as painting and drawing contribute substantially to child development and foster creativity."

#### **Creating memories**

"Souvenirs and products that relate to the city or country you visited are great memories or gifts for beloved at home," says Chris Winstanley, Senior Sales Director Duty Free, Schaefer Travel Retail (Basement 2/N12).

Schaefer's Brixies is always focused on developing new products for different countries and here at TFWA Asia Pacific Exhibition & Conference, the brand will showcase some of its latest Brixies postcards with many new designs.

Brixies stands for mini bricks made from high-quality ABS plastic, which complies to the latest safety standards. There are 23 different colours in the range, providing for colourful and real-looking construction kits that every child will enjoy.

Winstanley explains: "Travel retail is important part of the kids items market. Especially when families are travelling, parents want to keep their kids busy with playing. Travelling parents also love to bring a gift back home – bringing home a Brixies Marina Bay Sands after travelling to Singapore is a great gift and souvenir."



Andrew Ford, President, APTRA: "APTRA's principal objectives are to increase the understanding of issues currently faced by the duty free & travel retail industry among our own industry stakeholders. Secondly, we aim to raise awareness among legislators and authorities of the vital contribution that duty free & travel retail makes to the budget of an airport or ferry port and to the development of the transport infrastructure as a whole."

# APTRA increasing stakeholder understanding of industry issues



The Asia Pacific Travel Retail Association (APTRA) once again has a strong presence at TFWA Asia Pacific Exhibition & Conference. Andrew Ford, President, APTRA, updates Ross Falconer on initiatives including the 2018 APTRA Airport Forum and the first APTRA Insights Seminar of the year.

he industry spotlight falls firmly on the Asia Pacific region this week, providing an opportunity for its retailers, landlords and brands to showcase the impressive retail facilities being developed.

Indeed, in his address to this morning's TFWA Asia Pacific Conference, Andrew Ford, President, Asia Pacific Travel Retail Association, will point to some of these developments as examples of best practice in duty free & travel retail, while also highlighting the vulnerability of the industry to external influences. "I will refer to our efforts to counter the threat to tobacco sales from the WHO's proposed illicit trade protocol, to the industry's initiatives regarding nutritional information on beverage and confectionery products, to retail display bans, and to the ongoing problems with the regulations surrounding the onboard carriage of liquids and gels," he explains.

APTRA endeavours to be relevant to all stakeholders in the regional industry, including the airports for which it acts as a strategic partner. "They play such a crucial role in generating sales but, since they are in regular dialogue with national governments — which in many cases own and control the airports — they can also act as ambassadors for the industry and get us a seat at the table when the need arises," Ford adds. "We need them to understand the threats we face and help us to present a coordinated and compelling defence to the authorities."

During yesterday's 2018 APTRA Airport
Forum, hosted by Singapore Changi Airport, the
association shared key findings from research it has
commissioned and which is designed specifically
to inform airport executives, including geopolitical

and economic insights from specialists like IATA and Goldman Sachs that have not been seen elsewhere.

Meanwhile, APTRA has been working with m1ndset to compile a set of qualitative and quantitative studies covering the shopping behaviour of various nationalities across the Asia Pacific region - where they shop, how they shop, why they buy or don't buy, the extent to which they use technology, and the impact of promotions, activations, experiences, and staff attitudes. "Last year we produced shopper reports on South Korea, Japan, India, and China Tier 1, 2 and 3 cities, so there is a lot of actionable data to share," says Ford. "In 2018, we are turning the spotlight on specific airports, analysing performance, shopping trends, customer perceptions, and so on. The APTRA Insights Seminars are designed as a window on all our research. The Singapore meeting will also include an update from KPMG on the development of disruptive technologies which impact duty free & travel retail, like China's immensely influential social media channel WeChat, the increasing importance of Artificial Intelligence to CRM, and the role augmented and virtual reality will play in retail." The first 2018 APTRA KPMG Insights Seminar takes place on Wednesday 9 May, 07:30-09:00, Marina Bay Sands Exhibition Centre, Level 3, Begonia Junior Ballroom, Room 3111-3112.

#### Responsible Retail Training Programme to be adopted globally

Retailers and suppliers have responded very well to APTRA's Responsible Retail Training Programme (RRTP) and over 1,000 frontline staff and ambassadors have completed the programme so far. The Chinese version will be online in May. "The RRTP has been so successful that the Duty Free

World Council has decided to endorse it and adopt the programme officially worldwide," Ford comments. "It will soon be made available to all our sister travel retail associations around the world with the possibility of producing it in multiple languages."

RRTP is, of course, useful to sales staff as an information tool, but it serves also to illustrate to governments and administrators, including the WHO, that the duty free & travel retail industry takes its responsibilities with regard to the sale of alcohol very seriously. As such it is a useful advocacy tool. "With the RRTP in place, we are better placed to refute challenges from the WHO that our industry contributes to illicit and unregulated sales of alcoholic beverages and also any other product category they may choose to target next," Ford notes.

# Immense investment to meet growth

Whichever passenger statistics you consult – IATA, ACI, etc – it is clear that Asia Pacific is growing faster than any other region and, barring any unexpected eventualities, that is set to continue for the foreseeable future.

"For future growth, we will be looking towards the ageing millennials as their purchasing power increases and at the younger generations of travellers joining the adventurous middle classes from countries such as China, South Korea, India and Japan. We are already seeing immense investment in airport development to absorb that growth," says Ford. "Also, Asia is leading the way in the uptake of new retail technology and as the industry seizes that opportunity, we should see more tailored consumer marketing and more engaging in-store experiences, which will further stimulate conversion rates and drive growth."

# New beachwear range

organ & Oates is introducing the first item within a new Beachwear range at TFWA Asia Pacific Exhibition & Conference. The Beach Tunic is made from 100% silk and is one-size to fit all. Offered in a variety of bright, tropical floral designs, this gorgeous swimsuit cover-up is presented in a new handy zipper pouch with a vibrant orange M&O logo with Beachwear written underneath.

From summer sun to winter warmth. Morgan & Oates is also highlighting its 100% lambs-wool stole that has sold very successfully for a number of seasons as an exclusive to ANA.

Following high interest in the item from other airlines, M&O is launching a capsule collection of the same quality for Autumn/Winter 2018. A small focused collection in block checks and modern bold designs, available in a variety of classic, soft and bright colours, the stoles are made in the UK and measure 70x200cm.

Finally, M&O is showing a new capsule range of 100% silk square scarfs in mostly floral designs.

# Basement 2/J33





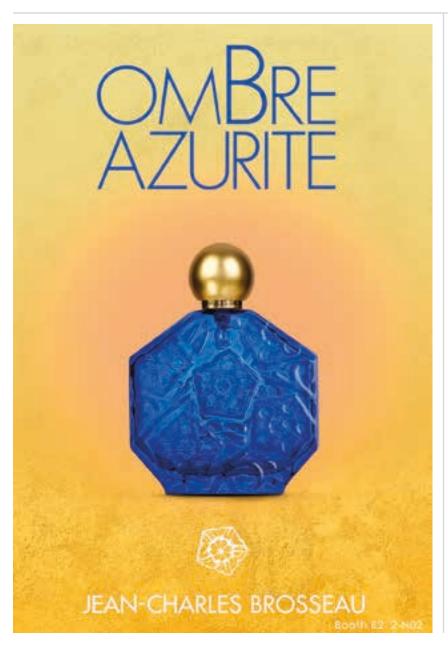
# Super cuddly toys

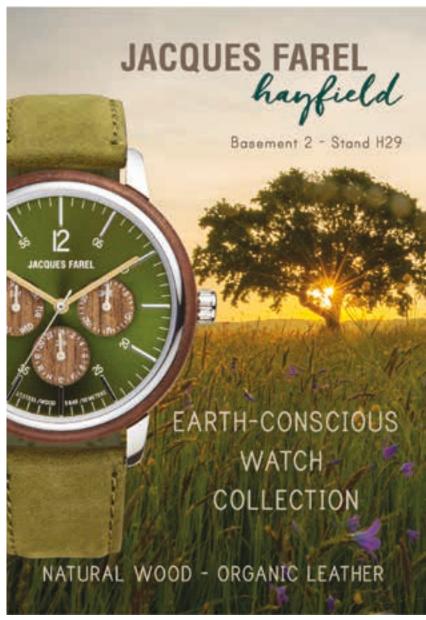
urora World is pleased to announce it is exhibiting at TFWA Asia Pacific Exhibition & Conference after a fruitful year in travel retail.

Among some of the brand's latest collections on display at its stand is Sparkle Tales. The concept has been developed from an existing concept called 'Candies', and features unicorns and dragons in different colours with glittery accents (hooves, horns, etc). By making use of the latest plush fabric technology, every Sparkle Tales product feels super cuddly and tactile. Available in 18cm and 30cm sizes in bright pastel colours, retail price points are from US\$17 to US\$28, with a promotional/jumbo size also available for US\$99.

Also on display will be the Fancy Pals collection with three new designs, Tokidoki Plush and Sea Sparkles. Aurora will also be featuring its new merchandising concept for its core character, YooHoo.

## Basement 2/G6





# **Making travel better**

abeau, a leader in comfort travel products available in more than 110 countries, will be showcasing its newly-launched, first-of-its-kind Evolution S3 pillow at TFWA Asia Pacific Exhibition & Conference.

Launched in February to rave reviews, the state-of-the-art pillow combines Cabeau's patented ergonomic design with high technology features and fabrics and presents its innovative patent-pending 'seat strap system', which keeps one's head from falling forward or sideways by attaching to the airline seat and enhances traveller's comfort level. The Evolution S3 pillow is available in five on-trend colours and retails for \$39.99. The pillow can be found at major national airports around the world, as well as online on Cabeau's website.

Cabeau aspires to make travel better and have its customers travel as comfortably as possible. Every part of the pillow was engineered to provide the best possible experience for travellers. The Evolution S3 pillow introduces an ultra-soft solution to inflight sleep comfort.

# Basement 2/G23





# Splendour of youth

ure gold, one of the most powerful and effective beauty remedies, together with a regenerating mix of 30 natural oils, are the precious ingredients of Gold Infusion from Diego dalla Palma Milano. The exclusive anti-aging line is said to recharge the skin with strength and restore the precious splendour of youth.

After the success of the Youth Serum, the Gold Infusion family has been expanded with the precious Youth Cream, a powerful anti-wrinkle cream with revitalising action that makes the skin plumped, elastic and bright. Composed of 98% natural ingredients, the cream effectively counteracts wrinkles, dehydration and loss of elasticity thanks to its powerful active ingredients.

Diego dalla Palma Milano is also showcasing products including its Ink Lip Stain, which is presented in six vibrant colours; the Eclipse Foundation – a creamy product in stick format with SPF20, which offers a surprising second skin effect and a natural skin tone; and its Camouflage Corrector – an instant universal body and face corrector that covers skin imperfections, making it super smooth.

#### Basement 2/E10

# **Perfect body**

ollistar is presenting its special Perfect Body line, which features three truly high-tech specialities. The Anticellulite Draining Gel-Mud is described as a specialty like no other. It is a white Amazonian mud, totally unique down to its very texture, in a no-rinse formula designed for daily use. The product is easily absorbed with just a light massage. Meanwhile, the futuristic Slim-Drone Technology delivery system owes its name to the fact that, like a drone, it is guided to act only where it's needed, without dispersal, to ensure the utmost efficacy.

The Pure Actives Anti Stretch Marks Concentrate is a highly concentrated, pure distillate combining three molecules found naturally in body tissue that are essential for the elasticity and compactness of the skin structure: Elastin, Hyaluronic Acid, and Collagen.

Finally, the Toning Talasso-Scrub contains regenerating exfoliating salts with essential oils and juniper extract. Juniper stimulates capillary microcirculation, revitalises skin tissue, drains fluids and toxins, tones, and relieves the symptoms of muscle fatigue.

# Basement 2/F2





# Cosmic sparkle

urate International is bringing the moon and the stars to this year's TFWA Asia Pacific Exhibition & Conference, with the introduction of its Wonderlust collection to Singapore. The jewellery and watch expert first launched the whimsical pieces at TFWA World Exhibition & Conference to a sterling response, and it aims to receive similar feedback from its Asian customers.

Inspired by the wonders of travel and astronomy, the dreamy range is decorated with crystal details adding a cosmic sparkle to anyone's look. Since its launch in Cannes, in October, Kurate has added new pieces to the collection, creating a range of travel retail exclusive sets that include necklaces, earrings and bangles/bracelets.

Kurate International is also introducing its new Free Standing Display Unit (FSDU) to the Asian market, as it aims to infiltrate ground stores, as well as expanding onboard retail to the cruise industry with its range of jewellery and watches.

# Basement 2/H32

# Travel retail line

eidi Klein, Britain's largest luxury swim and resort wear label, is exclusively launching its longanticipated travel retail line at TFWA Asia Pacific Exhibition & Conference. 2018 is the second showing for Heidi Klein, after great success at the event last year. With its own stand, the brand has developed a range specifically suited to travel retail, including raffia, bamboo and canvas styles, new sizes, and new entry price points to support growth in new territories. The new styles are available now in Guam and Hawaii.

"Travel retail is a natural next step for Heidi Klein," says Eric Koby, CEO Heidi Klein. "We are delighted to be partnering with DFS, and we anticipate strong growth as we continue to perfect the offering. We are very much looking forward to the meetings we have planned for Singapore this year."

 $Heidi\ Klein\ is\ working\ with\ McG\ Consultants\ to\ represent\ the\ brand\ with\ a\ global\ remit.$ 

# Basement 2/E9





# **Proven retail concept**

ith the latest innovations, unique promotions and propositions, Capi, the global airport retailer of consumer electronics, is again present at TFWA Asia Pacific Exhibition & Conference. Capi will demonstrate how B2B partners can successfully implement its proven retail concepts, such as The Gadget Table, Special Offers and Travellers Choice, in their own travel retail environment.

Furthermore, Capi will present the Mitone Kids headphone on The Gadget Table.

Besides the exciting and surprising Gadget Table, Capi highlights the proven retail concept it uses for the Capi stores, and the franchise and wholesale solutions it offers to B2B customers. Capi offers tailor-made solutions and supports these customers from A to Z, varying from composing the assortment, merchandising, and creating floor plans to recommending orders, offering training, and providing access to the latest innovations of premium brands, leading A brands and Capi's private brand Mitone.

To offer visitors an inspiring experience at the Capi stand, the electronics retailer has created a special relax area.

#### Basement 2/H19



Smoking seriously harms you and others around you



# Welcome to Asia Pacific







# Compressport



Basement 2/L8

# Who are you?

There has been a great increase in the use of compression wear for sports in recent years. Part of this attributed to the growing number of trail runners, triathletes, runners, and also partly due to the increased awareness of the benefits such products provide for performance and recovery. Coming from the medical field, Compressport was born in Switzerland out of the desire to offer a range of high quality performance compression garments to sportsmen and women at all levels.

#### Who buys your products?

We have traditionally been retailing our products via the typical sports channels, specialist stores, department stores, etc. Since our first trial in the duty free business, we have experienced huge success inflight where we have expanded into more than 15 airlines (including Singapore Airlines, Aeroflot, Air France, Cathay Pacific, Malaysia Airlines, Air Berlin, TAP). Our next trial was then done in duty free stores at Nice Cote d'Azur and Paris airports, where we have Compressport corners. Our travel range is designed for travellers who stay in a static position on the plane, in the airport, and also for the practice of their favourite sport.

#### Why exhibit now?

Compressport's travel range is currently commercialised around the world by more than 15 airline companies and five duty free stores, and has had great success. Today, we would like to expand our offer to more airlines and duty free shops around the world, especially in Asia.

# What are your objectives?

Our products are already available via Asian airlines and they have had great success so far. Our objective is not only to expand our offer to more airlines and duty free shops around the world, especially Asia, but also to increase the brand's visibility in Asia Pacific.

#### What is your unique selling point (USP)?

Compressport helps to improve performances and comfort, offering innovative compression garments matching the needs of the most demanding athletes.

# **Hering Berlin**



**Level 1/P13** 

# Who are you?

Hering Berlin is one of the few authentic porcelain manufacturers in the world. For founder, designer and owner Stefanie Hering, "manu factum" means excellent craftsmanship in all stages of production, carried out by hand by masters of their trade in Germany. What makes Stefanie Hering's work truly special and inimitable are the flawless shapes, which result from playing, experimenting and trying things out, as well as from absolute knowledge of porcelain as a material.

#### Who buys your products?

Stefanie Hering focuses on crafting items entirely by hand in Germany and on characteristic design tailored to the small, but extremely promising new market of "mindful luxury" consumers. This means customers who are specifically looking for handcrafted objects that are perfect in every detail can now find them in selected luxury destinations from autumn with EXPLORE!

#### Why exhibit now?

After the initial positive test runs with major travel retail players, EXPLORE! is ideally positioned to further establish itself in the market for handcrafted gifts at TFWA Asia Pacific Exhibition & Conference. We are sure that there is a market with an increasing number of customers who are specifically looking for beautiful handcrafted objects.

# What are your objectives?

Our focus in the travel retail sector will be on major airports to begin with, especially in Europe, Asia and South America, as well as cruise lines and luxury yachts. In addition to the high-quality gifts segment, we also want to strategically open up the luxury restaurant segment at top airports for Hering Berlin at TFWA Asia Pacific Exhibition & Conference.

# What is your USP?

What makes Stefanie Hering's work truly special and inimitable are the flawless shapes, which result from playing, experimenting, and trying things out, as well as from absolute knowledge of porcelain as a material. Her design is innovative and style-defining; the shapes are self-contained and independent of seasonal fashions, yet exhibit a characteristic and recognisable understanding of form.

# **Jacques Farel**



Basement 2/H29

# Who are you?

Jacques Farel Ltd. was founded in 1984 by a Swiss family. The focus of the company over the past two years has been on developing a watch collection that is designed and made with the future in mind. The Jacques Farel hayfield collection is as sustainable as possible, from allnatural German organic eco leathers containing no environmentally harmful substances, to carefully selected natural wood sustainably farmed, and FSC-certified paper packaging.

#### Who buys your products?

Anyone can buy a Jacques Farel hayfield watch. Buying a Jacques Farel hayfield watch is a personal decision that shows you care about the environment, one "tick" at a time. It is a collection that appeals to a consumer that is sensitive to the environment and the latest environmental issues. It is also a timepiece that reminds you to stop and feel. In a rapidlychanging and often stressful world, sometimes ruled by technology, we wanted to design a product that allows a "digital" detox and reminds you of nature's wonderful smells and textures through the richness of smooth wood and soft organic leathers.

#### Why exhibit now?

The consumer is now, more than ever, aware of the serious issues affecting our planet. The consumer wants to be more selective in the products that they buy and more proactive in making an impact to help care for the environment. This is why the timing for the Jacques Farel hayfield is right and we have decided to exhibit at TFWA Asia Pacific Exhibition & Conference.

### What are your objectives?

To meet buyers from the travel retail and airline industry who are looking for products that are different and that help promote care for the environment

# What is your USP?

- Recycled steel
- Solar movement on our solar collection
- Natural wood
- FSC-certified packaging
- Vegan straps on selected models
- Organic German leather straps on selected

Here, we highlight a selection of the companies either exhibiting at TFWA Asia Pacific Exhibition & Conference for the first time, or returning after an absence.







04

# **Maison Boinaud**



## Basement 2/A01

# Who are you?

Establishing the traditional identity of its prestigious products, and innovating with respect to family traditions are the guarantee of excellence and the desired accomplishment of the 24th generation of Maison Boinaud, currently represented by Rémi and Charles Boinaud. Today, Maison Boinaud is responsible for the management, marketing and distribution of the crafted and audacious brands Cognac De Luze Fine Champagne, Cognac J.DUPONT Grande Champagne, Cognac Naulin, Brandy Grand Empereur, Vodka Kookla, Whisky Lordly, Oaker Aromatic Bitter, and Smoaker Oak Chips.

# Who buys your products?

Our main markets are China, USA, Norway, Russia, and duty free. Given our strong position on those domestic markets, we now want to push our brands into Asia Pacific duty free & travel retail. Regarding categories for buyers, Chinese travellers represent, of course, the majority of the cognac aficionado, but we can see good and growing results among Korean consumers travelling through Incheon Airport where our brands are already available.

# Why exhibit now?

Our main objective is to send our existing partners, and future ones, the strong signal that we are investing and willing to develop our business for the long-term in this very dynamic part of the world, the most dynamic for our category of products. Duty free & travel retail still represent a nice promotional window for international brands like Cognac De Luze, willing to offer cognac lovers the best taste experience.

### What are your objectives?

The duty free cognac business is dominated by four major houses with little exceptions. It would be for everybody's benefit to have a wider range of cognac available. Bringing relevant small brands is adding a little bit of flavour, discovery feeling and new experience for the traveller who is not always looking for the well-known brands.

### What is your USP?

We control our destiny. Mastering all stages of the cognac-making process, from the grape to the glass, gives our partners and consumers the guarantee that Cognac De Luze will always be available with constant quality and price. This is the commitment of the Boinaud family.



# **RISIS**



# Level 1/P9

#### Who are you?

Established in Singapore in 1976, RISIS is the leading luxury gift brand in Singapore, well-known for its technology for plating natural orchid in 24k gold. Part of the BP de Silva Holdings group, RISIS has an extensive collection of jewellery, gifts, home and lifestyle and customised corporate gift products, and prides itself that all design and production of RISIS products is done in-house, allowing absolute control in product quality and assurance throughout all stages of the supply chain.

# Who buys your products?

RISIS is a luxury gift brand with products for every occasion. RISIS is for customers who appreciate the details and quality of craftsmanship in their gifts. Every piece of RISIS product is handcrafted by a member of the RISIS family, ensuring quality and precision.

#### Why exhibit now?

RISIS hopes to gain awareness of the brand and to tell the story of sincere craftsmanship and quality. The company is also hoping to expand into the travel retail business, starting from the Asia Pacific market.

#### What are your objectives?

To spread awareness of the RISIS brand, network and gain new contacts and opportunities with potential buyers, and placement in the travel retail industry.

# What is your USP?

RISIS has perfected its gold plating technique and is well-known for the plating of natural items – a wide variety of orchids, roses, eggs and leaves, etc. We craft and plate items in 24k gold, 18k rose gold and rhodium. Secondly, we take pride in our skilled workmanship for RISIS sculptures.



# **Rituals Cosmetics**



## Level 1/S8

### Who are you?

Rituals Cosmetics was founded in Amsterdam in 2000 by Raymond Cloosterman, who was inspired to create the first brand in the world to combine home and body cosmetics. With its product line – from luxury body and facial creams through to precious mineral make-up, scented candles, pure tea and 'soulwear' – Rituals Cosmetics allows people to transform daily routines into beautiful, meaningful moments, helping them to slow down and enjoy their daily lives more mindfully.

#### Who buys your products?

Rituals Cosmetics has products for men and women and appeals to those amongst them who are attracted by the opportunity to enhance their home environment and personal grooming through products that can transform these daily routines into more meaningful moments. So, it's a brand concept that has a very wide appeal. Consumers from 15 to 60 years plus are buying Rituals products.

#### Why exhibit now?

We want to significantly expand our presence in the Asia Pacific region. We already have an outstanding shop-in-shop concept in the DFS T-Galleria in Causeway Bay in Hong Kong, which opened last autumn. Based on the initial success there we have already expanded our downtown shopping presence in Hong Kong and we want to build further on that fantastic start. Being here in Singapore, at this show, is therefore central to our push to extend our brand into travel retail in this region.

# What are your objectives?

We believe our stand here makes a very powerful statement about our commitment to travel retail in this region. It will also help us very cost-effectively fast-forward making new contacts and new relationships with key players in the region, be they regional buyers or distributor agents. We will also be showcasing our latest travel retail exclusives and gift sets.

### What is your USP?

Transforming everyday routines into more meaningful moments is the essence of the Rituals Cosmetics philosophy and the rationale for each of its products. The promise of enjoying the small pleasures in life, together with the brands' 'slow shopping' attitude, encourages shoppers to de-stress, enjoy and pamper themselves. Offering customers a cup of soothing herbal tea or a complimentary hand massage whilst they test the products in store, gives them the opportunity to enjoy the moment.



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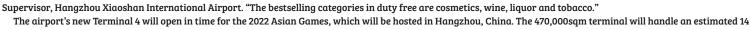
# ONE2ONE meeting service

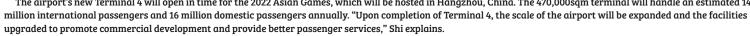
The ONE2ONE pre-scheduled meeting service at TFWA Asia Pacific Exhibition & Conference provides a tailor-made opportunity for retailers, exhibiting brands, and service concessionaires to meet with senior executives from the region's airports and airlines, as well as those from cruise & ferry companies. Here, we preview the participation of Hangzhou Xiaoshan International Airport, and Malaysia Airlines.

# ONE2ONE with: Hangzhou Xiaoshan International Airport

t present, Hangzhou Xiaoshan International Airport has approximately 20,000sqm of commercial space in total, including 5,000sqm in the International Terminal and 15,000sqm in the Domestic Terminal. Duty free, speciality goods, silks, fashion accessories, digital and artificial intelligence (AI) products, and food & beverage, are all offered.

"Our airport travellers can always find the brands they prefer, such as Emporio Armani, MCM, Swarovski, Hugo Boss, Ferragamo, etc," says Danni Shi, Business





Meanwhile, a large-scale retail tender for Terminal 3 was completed in early-2018, covering 44 outlets across 3,600sqm. 87 companies participated in the tender process. The airport's commercial strategy has four key pillars: Business Benefits, Airport Image, Customer Satisfaction, and Benign Business Operation. "Based on the development goals and positioning of Hangzhou Xiaoshan International Airport, we have created an internationalised, humane, distinctive and specialised airport business," Shi adds. "This highlights the branding, and the themed and stylised commercial development, ensuring that it is functional, systematic, economic and cultural." Hangzhou Xiaoshan International Airport is utilising the ONE2ONE meeting service not only to introduce and promote the airport, but also to seek more well-known or new brands, and operators who are interested in a collaboration.



he Malaysia Airlines inflight duty free offer includes a wide range of products with varying price points to cater for different groups of customers. The airline's strong e-commerce proposition means there is an even wider product selection online (https://temptations.malaysiaairlines.com).

The e-commerce offer includes a pre-order service. "This provides guests with the convenience to order products online 90 days in advance of their flight, and then collect them on a Malaysia Airlines flight of more than three hours," says Lingesh Thayala, Manager, In-Flight Product, Malaysia Airlines. "There are always space constraints on the amount of merchandise we can offer to customers onboard. Therefore, offering a pre-order platform allows customers to have access to a wider selection of products in the convenience of their home."

There is also the option for home delivery to a local address in Malaysia. "The online purchasing trend has been increasing over the years due to changing lifestyles," Thayala adds. "Therefore, we see potential in our e-commerce platform. Other than offering pre-order for Malaysia Airlines customers, we are also offering a home delivery service via https://temptations.malaysiaairlines.com to target non-Malaysia Airlines customers as well."

Meanwhile, the airline's loyalty programme, Enrich, offers customers the opportunity to earn two miles for every MYR1 spent on duty free merchandise.

Plans to expand the retail offer include a target to start international delivery in May 2018, launch online redemption of miles through the Temptations website, and introduce home delivery of liquor.

"Our main objectives in the ONE2ONE meetings are to meet up with potential brands for e-commerce and inflight listing, and to discuss further brand support to gain better brand association," Thayala concludes.





Examples of products in the Malaysia Airlines inflight duty free offer.





Olivier Hui-Bon-Hoa, BeThe1 – Managing Director Asia (Hong Kong, Shanghai, Singapore): "The travel retail industry must urgently build its talent capability to tackle the huge potential of the China market and meet the needs of managing its development.'

# BeThe1

# Recruitment trends in **Asia Pacific**

An interview with Olivier Hui-Bon-Hoa, BeThe1 – **Managing Director Asia** (Hong Kong, Shanghai, Singapore). By Ross Falconer

sia Pacific is, of course, an attractive region within travel retail, with significant opportunities for young professionals looking to embark on an international business career.

Indeed, Olivier Hui-Bon-Hoa, Managing Director Asia (Hong Kong, Shanghai, Singapore), BeThe1-a recruitment consulting firm of middle & senior management in luxury, fashion, beauty & retail – explains that the sector affords the opportunity to be immediately exposed to several markets, to experience a fast pace of growth, and to interact with other functions like training, marketing, product management, retail merchandising and design, and visual merchandising.

"We recommend brands and retailers pay more attention to how to attract young Asian professionals who have developed, during their personal and student life, the required international grit, cultural intelligence, curiosity, drive to take a role with regional scope, and natural ability to engage and connect with international clients," Hui-Bon-Hoa explains.

It is important to increase engagement via targeted communication towards these young Asian professionals. "Furthermore, among young Asian professionals, a very special attention towards PRC native profiles should be at the top of the HR agenda of brands and retailers," Hui-Bon-Hoa adds.

BeThe1's constant and core focus is on supporting its clients at all stages – from analysis to action plan proposals prior to the actual launch of recruitment, and post-hiring follow-up of candidates. The emphasis is on creating a true added value, which is acknowledged by both employer and employee in terms of matching and retention.

"Our inside-out knowledge, of both the travel retail business activity as a whole and the pool of professionals, allows us to bring an exceptional level of quality in terms of recruitment to our clients,"

In terms of the keys to successful recruitment, he highlights two aspects specific to travel retail:

The cultural fit with the core DNA of the overall travel retail culture (intensive travelling, enjoying being on your own and working in a compact team, a natural interest and versatility to work and deal with a truly multicultural environment, the ability to network, embracing a fast pace, quick decision-making, getting the best return on investment from each business event and opportunity, and the ability to combine a wholesale client management approach with retail operation management delivery). "We have regularly observed failure when candidates were recruited by looking only at their technical skills, especially with internal transfers from domestic to travel retail.'

"Regularly, because interviewers are intensively travelling, the recruitment process is impacted, with gaps of two to three weeks between rounds of interviews. Interviewers should make the recruitment their top priority. The faster you  $% \left\{ \mathbf{r}^{\prime }\right\} =\mathbf{r}^{\prime }$ fill your vacancy, the earlier the new recruit contributes to your business and the more it reflects on how efficient your organisation is."

Hui-Bon-Hoa notes a key recruitment trend specific to Asia Pacific, which is the growing need to have experienced travel retail professionals for the China market who are actually based in China. "Today, most of the travel retail professionals looking after China are based in Hong Kong. The pool of travel retail PRC native or Asian professionals based in China, and truly expert in the China market, is seriously under-developed."

Indeed, it is important that these professionals are able not only to manage and implement the business strategy, but also have a close relationship with operators and up-to-date knowledge of consumer market needs, and challenges at the retail POS level.

"We anticipate a serious bottleneck between the growing demand for talents with the level of expertise and seniority required by employers to manage sizeable P&L and complex business operations, and the limited pool available with a real lack of senior and experienced China-based travel retail professionals. The travel retail industry must urgently build its talent capability to tackle the huge potential of the China market and meet the needs of managing its development," Hui-Bon-Hoa concludes.



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