

## DFWC launches quarterly Global Shopping Monitor

The Duty Free World Council (DFWC) has conducted a Global Shopping Monitor of duty free shopping trends in the fourth quarter of 2015.

The quarterly Global KPI Monitor is part of a continuous project to measure perceptions of the duty free & travel retail industry among travelers, conducted in partnership with research & consulting company **m1nd-set**.

"This is an exciting research innovation which the DFWC is delighted to bring to our industry and which over time will give industry players in every region the ability to monitor customer trends and behaviors and adjust the shopping offer accordingly," commented DFWC President Frank O'Connell.

The KPI Monitor covers all key elements of consumer perceptions of duty free shopping, such as satisfaction with various aspects of the shops, product range, differentiation from the domestic channel and perceived value for money. The findings are based on interviews with over 4,000 people who traveled internationally in the

previous quarter, with the sample split per region based on industry sales figures from m1nd-set partner **Generation Research**.

Based on a sophisticated formula defined by m1nd-set, a Customer Satisfaction Index (CSI) is shown in the DFWC Global KPI Monitor on a global level as well as for each of the 5 regions covered.

The CSI is generated using the ratings for each respective element, analyzed and weighted based on their impact on overall traveler satisfaction. The current report illustrates the findings from the first Index; future quarterly reports will show the evolution over time.

m1nd-set Owner & CEO Peter Mohn explains: "Working with brands, retailers, airports, airlines and the trade associations in the industry, we see a constant thirst for data and in particular recent data on duty free and travel retail shopper behavior. This Customer Satisfaction Index will be an important and timely barometer for the duty free & travel retail industry, given both the recent and



freshly collated data used to compile the reports and the frequency of their publication. The evolutionary nature of the data is also a highly sought after aspect of the research demanded by stakeholders today. A one-shot spotlight doesn't give a rounded enough picture of the reality. Companies need to evaluate trends, which this global index will allow."

Some of the highlights of the first report include:

1. The DFWC Global KPI Monitor illustrates which elements have **the strongest impact on the Customer Satisfaction Index**. In the current report the most important aspect is the "uniqueness of products and services," followed by "perceived value for money" and "variety and range of products" on offer.
2. Under **the perception of duty free & travel retail shopping overall**, globally 40% of the international travelers see duty free & travel retail as part of the travel experience. However, there are significant differences in traveler perceptions between the regions.
3. The report also provides **cross-regional and cross-category comparisons**, highlighting the main benefits and key drivers for buying in DF & TR on a global level. It also shows the main differences in the various regions, for example, the perceived value for money across the various categories.

*Continued on page 2.*

### Canadian airport duty free sales soar 16%, land border sales rise 4% in 2015

Canada's airport duty free sales soared 16% year-on-year in 2015 while land border sales rose almost 4%, according to the Canadian Border Services Agency (CBSA).

Overall, the combined airport and land border sales for Canada in 2015 were \$524 million; airport sales reached \$375 million outpacing duty free shopping on the land border (\$149 million).

In December, land border sales were \$12 million, up 7.3% over December 2014. Airport sales reached \$33 million, an increase of 8.5%.

The FDFA is optimistic that sales will continue to increase in 2016: "With the current exchange rate and key tourism initiatives taking place, we are well positioned for the upcoming high season in 2016 to exceed sales expectations and traffic numbers."

"The FDFA is currently pursuing with all government officials – both federally and in our communities across the country – the Road TRIP initiative to allow Americans a 5% rebate on all goods purchased – thus only rebatable at land border duty free shops. We know that over 60% of the time, customers that get a cash rebate will spend that money in our stores and on our suppliers' products. We will keep the membership informed of our lobbying progress to have this initiative approved in the Federal Budget."

### Top categories

Perfume, Cosmetics, Skincare, the number one selling duty free category at Canadian airports with 35% of sales in 2015, grew 21% for the year. Alcohol, with 20% of sales, increased 15%. Almost every category sold in Canada's airports grew by double digits in 2015, except for tobacco, the third most popular category, which was flat for the year.

*Continued on page 2.*



## House Spirits to open world's first airport tasting room at Portland International Airport

Oregon craft distillery House Spirits will become the first distillery in the world to operate its own in-line brick-and-mortar tasting room at an airport when the House Spirits Distillery PDX Tasting Room opens at Portland International Airport in October 2016.



House Spirits Distillery has been a fixture at the PDX airport for more than two years with its branded kiosk, which earned an *Airport Revenue News* (ARN) Award for Best New Specialty Retail Concept last year.

The new 1,250 square foot facility in Terminal C will offer House Spirits Distillery's entire portfolio of spirits for sampling and purchase including Aviation American Gin, Westward Oregon Straight Malt Whiskey, Krogstad Aquavit and a line of limited release small-batch spirits.

The company also plans to release a handful of distillery and tasting room exclusives.

"House Spirits Distillery has been a leader in the craft distilling community since its inception in 2004, and the opening of our new tasting room – the first ever standalone spirits tasting room at an airport location – is an important step for our entire industry,"

said Thomas Mooney, CEO and co-owner, House Spirits Distillery.

"Portland International Airport is an institution that shares our values and cares deeply about introducing travelers to Portland's world class artisanal culture, and we are proud to continue to be a part of that experience in an even bigger way."

In addition to selling spirits and other curated items, the House Spirits Distillery PDX Tasting Room will also host regular "mini classes," conducted by the company's own trained staff, designed to introduce PDX flyers to the House Spirits Distillery products.

The new retail experience is inspired by House Spirits Distillery's brand new facility in Southeast Portland, which opened last November.

More than 16 million passengers flew through PDX in 2015.

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## Canadian 2015 duty free sales *Continued from page 1.*

### Top categories: Land border

On the land border, number one category alcohol, which accounts for more than 40% of sales, rose 12% in 2015. However, number two category tobacco dropped 8.45% and number three Perfume, Cosmetics, Skincare was down 2.74% for the year.

### Land border regional sales

Atlantic/Quebec sales climbed 6% year-on-year to \$31 million. December sales increased 5.7%.

Ontario sales were \$84 million in 2015, an increase of 6.5% compared to 2014. December sales grew 11%.

Pacific Region sales slipped 2.3% to \$23.2 million. December sales climbed 2.37%.

Sales in the Prairie Region were \$9.4 million for the year, a drop of 11%. December sales fell by 13%.

## DFWC Global Shopping Monitor

*Continued from page 1*

The report also highlights the **ranking of the key barriers for not purchasing** as well as not visiting duty free & travel retail shops.

4. Under the information **on customs regulations and the impact on the actual shopping behavior**, the current report suggests that only half of international travelers feel well informed about the regulations, which has a negative impact on purchase behavior.

5. The **use of electronic devices** to receive or look for information regarding duty free & travel retail shopping is also covered in the analysis. The report indicates that only a minority of travelers use electronic devices for information about shopping on the "sixth continent."

6. The reports will also cover the **macro-economic impact on the business**, given the inextricable link between the global economic crises and fluctuations and the duty free and travel retail business. The DFWC Global KPI Monitor will illustrate the impact of the current economic situation on actual travel and shopping behavior, both globally as well as in each of the regions.

Mohn adds: "The quarterly Monitor reports cover a vast range of data. The aim is to provide as holistic a view as possible of the situation and its evolution by identifying the key trends and divergences between regions... We believe the quarterly Monitor will be a useful tool for the industry and we are delighted to provide this service to the DFWC."

For more information about the full report, please contact **m1nd-set** at [info@m1nd-set](mailto:info@m1nd-set). The cost of the quarterly report is 5,000 euros, with the yearly subscription priced at 15,000 euros.

## SUPPLIER SPOTLIGHT

## Tea Forte redefines confectionery offer in travel retail

There is a new concept in some travel retail shops in the Americas that is paying huge dividends for operators.

Tea Forte, the award-winning gourmet tea company known for its iconic patented pyramid-shaped infuser, has been developing in the travel retail channel since launching in the Americas three years ago, reports Moshe Cohen, vice president of global sales for the Concord, Massachusetts-based brand.

"Our retailers have realized that our teas are a way for them to inject innovation and excitement into the gourmet offer and stay relevant," Cohen tells *TMI*.

Tea Forté is the global luxury tea company available in over 35 countries where it is presented at leading hotels, restaurants, prestige resorts and high-end retailers.

"Known as the exceptional tea experience for our variety and unparalleled quality of hand-crafted teas, exquisite packaging and luxuriant approach, Tea Forté is the definitive cup of tea. Additionally, Tea Forté is selected as the exclusive House Purveyor of premium teas for the James Beard Foundation," he adds.

"Our teas are affordable, giftable, original, offer good shelf life, and have become top sellers in many of the locations where they are sold," says Cohen.

Tea Forte is currently listed with DFS in Hawaii, Guam and San Francisco, with International Shoppes in all of its stores, in Miami International Airport at Prive Gourmet Market in the Ocean Drive boutique run by Newslink, and with Lotte Duty Free's new shop in Seoul, South Korea.

"We tested our brand first with International Shoppes at JFK Terminal 1. It did so well that we are now in all of their stores, including two IS shops in Boston Logan with customized Tea Forte display units, as well as in Philadelphia and the IS Diplomatic store in New York," says Cohen.

In MIA, sales of Tea Forte were so strong in Prive Gourmet Market in the branded Ocean Drive store that operator Newslink

*The Tea Forte shop-in-shop concept at Prive Gourmet Market in Miami International Airport's Ocean Drive boutique.*



moved the brand into its own shop-in-shop concept that includes permanent sampling of hot and cold teas.

Cohen began selling Tea Forte in Latin America about 18 months ago and the line is now available with Neutral, and on the Bernabel ferries and port store, "where it is a top seller," he reports. "We were listed with London Supply in Iguazu, where Tea Forte sold out so now we are expanding to all the London Supply stores. And we were recently listed with UETA for Punta Cana and Iquique, so we are very excited," he says.

"We are selling affordable luxury and our teas have been successful with this passenger profile. We are making a new offer in confectionery and managing it like a luxury brand," noted Cohen. "Tea Forte – with its iconic silken pyramid infuser

—has reconnected with the ritual of the tea ceremony.

"The trend is very favorable for tea right now. Not only is tea the second largest beverage in the world after water, but preparing it is one of the most sophisticated daily rituals. Then we have the wellness factor, and tea's benefits have been well documented," said Cohen.

Tea Forte has introduced several travel retail exclusive gift sets, including the Passport Collection, teas in presentation boxes and gift tins, chocolate infused teas in heart-shaped boxes, a Lotus Collection of relaxing teas, and launching in February to coincide with New York's Fashion Week, the Couture Collection, a limited edition assortment of bespoke, organic teas in the company's signature hand-crafted infusers inspired by designer themes and colors.



## Mars ITR and Dubai Duty Free offer NYC promotion

Mars International Travel Retail (MITR) teamed up with Dubai Duty Free to present an exclusive promotion that gave buyers who spent over 110 Dirhams (\$30) the chance to win a trip for two to New York City.

The innovative activation ran from Nov. 8-30, and resulted in sales up by 30% for Mars for the month.

The promo winners received two nights' accommodation in New York and a \$100 voucher to be spent at the flagship M&M'S World store in NYC's Times Square.

"Once again [this] shows that innovation and excitement are the keys to increasing penetration and sales in the confectionery sector," notes MITR, which says it is continuing on its course towards doubling the confectionery category.



## Mercedes Benz extends Club fragrance line

In December 2015, Mercedes Benz launched two new versions of the original Club fragrance: Club "Fresh" and Club "Extreme," presented in attractive new packaging that follows the latest color trends: Matte metalized blue and matte metalized dark grey bottles.

In February, Mercedes Benz MAN will be launched. This new fragrance targets men from 20 - 40 years old with a very contemporary and ultra-sophisticated scent, packaged in a high tech bottle with a unique silhouette in a soft-touch matte black and the emblematic Star on the center.

"MAN received a great response from the industry in Cannes and we are very confident it will have the same result with the final consumer," says Arnaud de Volontat of Altimetre. *More on page 4.*



## SUPPLIER SPOTLIGHT

TRAVEL MARKETS  
**INSIDER**

## Beam Suntory and International Shoppes create memorable Bourbon Legends pop-up at JFK

In an effort to educate consumers and offer them an “unforgettable Bourbon experience,” Beam Suntory partnered with International Shoppes on an interactive “Bourbon Legends” pop-up store at Terminal 5 at JFK International Airport in November.

For two weeks the pop-up store informed travelers about the entire bourbon category and invited them to experience, through sampling, Beam’s three key bourbon brands (Jim Beam, Maker’s Mark and Knob Creek), and educated them about the differences in the range.

“Our main goal was to provide a memorable experience to travelers who, often times, have to deal with a lot on their way to boarding. We wanted to appeal to both the bourbon expert and the novice and everyone in between. What we heard, pretty universally, was how wonderful the experience was, how intimate it felt and how incredible the liquid tasted.

“I think we turned quite a few people into fans and hopefully they continue on their journey to finding a favorite bourbon,” says Andrew Meeks, marketing manager, Global Travel Retail-Americas, Beam Suntory.

“The launch of Bourbon Legends in JFK was a tremendous success and proves that the bourbon category is still red hot! Working with a partner like International Shoppes was really key in

pulling this all off, as we toiled tirelessly with them to align on product, promotion and placement,” added Meeks.

“Beam has built an innovative and inviting pop-up that has attracted a tremendous amount of energy and excitement in JetBlue’s JFK T5 concourse,” says Scott Halpern, International Shoppes Partner.

### Interactive elements

Beam Suntory’s objective was to increase consumer awareness of its “Bourbon Legends” lineup, focusing on the nine products offered onsite: Jim Beam Black, Jim Beam Devil’s Cut, Maker’s Mark, Maker’s 46, Knob Creek, Knob Creek Smoked Maple, Booker’s, Baker’s, and Basil Hayden’s.

The temporary store featured interactive elements designed to create an emotional connection to the brands within the Beam Bourbon lineup.

One highlight was a 55” interactive touch-screen sampling bar with custom built software to display videos, tasting notes for specific products, and history-rich facts regarding Beam and bourbon.

Tablets attached to branded bourbon barrels and one at the bar allowed consumers to take a Bourbon Quiz that simultaneously age-gated, collected consumer contact and demographic info, and provided them with a series of questions to determine which



tasting profiles they were most drawn to. At the completion of the survey, consumers were offered suggestions on one to three products from the bourbon lineup to sample based on their answers.

A 360 degree Virtual Reality “Jim Beam Devil’s Cut” experience allowed consumers to travel through Jim Beams Devil’s Cut barrels, giving the consumer the feeling that they were liquid moving through the Devil’s Cut barreling process.

Branded Bourbon barrel charging stations were placed within the display so travelers could re-charge their technology before or after a flight.

### Qualitative Data

The qualitative data collected by Beam Suntory during the two weeks of the pop-up store prove the experience an absolute success, says Meeks.

Sales increased at the International Shoppes duty free store, with a 26% increase week over week on Beam products and a 50% sales increase on brands that had the highest sample participation.

There were more than 94,000 consumer brand impressions and 6,325 bourbon samples, an average of more than 450 per day.

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## Mercedes Benz fragrances roll out in region

The Mercedes Benz fragrances have received a very positive reception in the Caribbean and Latin America since they were introduced at the beginning of last year, reports Arnaud de Volontat, who distributes the brand through his company Altimetre.

“We are competing in sales very closely with Men’s fragrances that are well established in our industry,” says de Volontat.

“Local operators are very happy with the sell-out due to the quality of the product (scents and packaging) and the price positioning. And the name has great recognition worldwide (#10 in branding). Any product that has the name Mercedes Benz always delivers excellence!

“Mercedes Benz is present in all Central America with Grupo Wisa, and in the Caribbean with Penha and other local customers. In South America, we have opened a few accounts with local duty free operators at the borders in Uruguay, Paraguay and Argentina, with more opening this year.”

De Volontat reports that Club is the best seller, followed by Men Intense. The women’s fragrances Eau and Rose have also performed above expectations and now account for 25% of the mix.



Mercedes Benz Club Intense





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Vol. 17 No. 33 Page 5

# TRAVEL MARKETS INSIDER

## BEAUTE PRESTIGE INTERNATIONAL

### BEAUTE PRESTIGE INTERNATIONAL is seeking an Area Sales Manager for

#### Travel Retail based in Miami.

Responsibilities include implementing our sales and distribution strategies, negotiating sales conditions, determining product listing and price structures, managing sales budget/P&L, implementation of marketing calendar, and direct management of a team.

Ideal candidate has at least 3+ years sales experience in the Travel Retail fragrance industry, as well as strong management and excellent communication skills.

40-50% travel required  
To apply please contact  
[gcamplani@bpi-sa.com](mailto:gcamplani@bpi-sa.com)

## ACTIUM

### Has an opening for a Customer service specialist

Candidate must be fluent in English and Spanish and possess exceptional customer service and organizational skills.

This position will be responsible for processing orders and assisting the Brand Manager with day to day operation as well as acting as a liaison between distribution team and 3rd party warehouse.

Knowledge of MS Office applications (with strong proficiency in Excel) is a must. Quickbooks knowledge and industry experience is a plus.

Company is based in Miami.  
Send resume to  
[prodrigues@actium.us](mailto:prodrigues@actium.us)



Heinemann  
Americas, Inc.

### Heinemann Americas Has an immediate opening for a Junior Buyer – All Categories Located in the Miami office.

#### Objectives of the jobs:

Ensuring efficient assortments for each brand with optimal assortment  
Reassuring flawless master data information; Ensuring correct pricing and payment terms for invoice discrepancies during invoice confirmation process

#### Qualification and minimum requirements:

Degree in Business Administration  
Experience in purchasing  
Experience in the field of international luxury goods and/or consumer goods  
Negotiation skills in several languages (fluent in English, Spanish preferred)  
Advanced Microsoft Excel, Word, Power Point  
Excellent data evaluation and analytical skills  
Experience with SAP

### Logistics Customer Service Officer

The position maintains a professional business relationship between our Customers and Third-party logistics provider, ensures that U.S. Compliance is being upheld, and maintains updated status's on all outbound orders.

#### Professional qualifications:

5-10 years of experience in supply chain management and or logistics  
Basic user knowledge of SAP  
At least 5 years of experience working in logistics environment  
Experience working in international logistics companies  
Strong analytical, communication, negotiation and decision making skills  
Business fluent in English  
Advance knowledge of MS Office  
Able to work independently  
Experience in handling small to medium sized teams

Please send resumes for both positions to  
[info@heinemann-americas.com](mailto:info@heinemann-americas.com)



A Fort Lauderdale-based Wines & Spirits marketing and distribution company, has an immediate opening for a

#### **Sales Marketing Manager.**

Bacchus is focused on the Duty Paid/ Duty Free channels in the Caribbean and Latin America as well as the Diplomatic, Cruise and Ship Chandlers markets.

#### **Requirements**

Fluent English  
Highly proficient in MS Office, very organized, self-starter and able to multi task  
University level studies  
Minimum 2 years Sales Marketing experience  
Traveling 2 weeks per month

#### **Plus**

Experience in the Wines & Spirits industry and the Caribbean Islands are pluses  
Accurate and structured with attention to detail  
Service oriented with good communication and organizational skills  
Ability to work under pressure, meet deadlines and with foreign nationals  
Flexible, proactive and positive attitude  
Experience with Navision and Adobe an advantage

For more information go to  
[www.bacchusllc.com](http://www.bacchusllc.com)

Please send resume to  
[tom@bacchusllc.com](mailto:tom@bacchusllc.com)

### ESSENCE Corp.

is looking to fill three positions:

#### Senior Area Manager

Essence Corp is currently seeking an experienced full time Senior Area Manager with a minimum of 4 years in management in travel retail.

The ideal candidate will have a solid understanding of the best practices in the retail industry.

Exceptional management and leadership skills.

The understanding and ability to work with P&L. Must have strong written and oral skills in English and Spanish.

French a plus.

Ability to travel extensively.  
Advanced knowledge of MS Excel, MS Work and MS PowerPoint.

#### Project Coordinator

The ideal Project Coordinator candidate must be fluent in English and Spanish.

French or Portuguese are a plus.  
Highly proficient in Excel, Adobe and PowerPoint.

Must possess exceptional customer service and organizational skills.  
The candidate will coordinate all personalization projects for permanent spaces in the Americas and Caribbean acting as a liaison between customer, brands and builders all while closely monitoring expenditures.

A dynamic team player with high emphases on following up.  
Experience in store construction and design is preferred.

#### Market Support Coordinator

The Market Support Coordinator candidate must be fluent in English, Spanish, as well as proficient in Excel and PowerPoint, French is a plus.

The Market Coordinator role is responsible for key administrative tasks, including order processing, customer support, and marketing support.

Must possess strong organizational skills and able to multi-task.

Please send resumes to  
[musallan@essence-corp.com](mailto:musallan@essence-corp.com)