

China, Hong Kong easing COVID travel restrictions

The duty free industry closed 2022 welcoming the news that China was finally opening the country to travelers and dropping some of its strictest coronavirus measures.

The announcements follow three years of lockdowns, travel restrictions and quarantines, mandated testing, and proof of a clean bill of health to access public areas.

Beijing's announcement that it was eliminating quarantine for overseas visitors from January 8 will allow more Chinese to travel, but is causing concern that it might trigger a new influx of COVID-19 cases from Chinese travelers.

China's current surge in virus cases has exacerbated this fear.

Some countries, including the United States and Britain, are reintroducing compulsory pre-flight

COVID-19 tests for people flying from China. Others, such as Japan and Italy, are requiring testing upon arrival and quarantine for those who test positive.

In the U.S., the U.S. Travel Association noted that the "highly targeted COVID testing" policy change in regard to testing inbound Chinese arrivals is "reasonable," and says that it "looks forward to welcoming Chinese travelers back to the United States."

But IATA CEO Willie Walsh calls the response extremely disappointing, describing it as a "knee-jerk reinstatement of measures that have proven ineffective over the last three years."

China will resume processing passport applications for Chinese nationals and resume visa-free transit up to 14 hours for travelers,

reports *TravelPulse*. Extensions and renewals of foreigners' visas will also restart.

In spite of the fears, the industry is particularly optimistic about the opening of Hong Kong, where the government announced that as of Dec. 29, Hong Kong's Special Administrative Republic is lifting all mandatory PCR testing requirements for inbound travelers upon arrival into Hong Kong, as well as the Vaccine Pass.

Inbound travelers to Hong Kong are still required to test negative prior to arrival, either by PCR test conducted within 48 hours prior to their flight or a rapid antigen test conducted within 24 hours prior to their flight.

Previously, incoming travelers were required to take multiple COVID-19 tests to visit.

Dubai Duty Free reaches \$1.74 billion in annual sales in 2022

Dubai Duty Free ushered in the new year on track for a strong recovery after two challenging years by announcing annual sales of US\$1.74 billion in 2022. This represents a 78% increase over full year sales in 2021.

December sales were further fueled by Dubai Duty Free's 39th anniversary celebrations in which shoppers were offered a 25% dis-

count from the Dec. 18-20. The Anniversary Offer resulted in a shopping spree of US\$29.4 million during the 72-hour period.

DDF recorded over 17.3 million sales transactions throughout the year -- an average of 46,912 sales transactions per day. A "staggering" 47.302 million units of merchandise were sold.

Ranking #1 at DDF, Perfume sales were \$310.66m, and contributed 18% of total sales. Perfume was followed by Liquor, Gold, Cigarettes & Tobacco, and Electronics.

Sales of Liquor reached \$279.84m (16% of total annual sales). Gold recorded sales of \$172.41m (10% of total revenue). Cigarettes & Tobacco generated \$154.07m in sales (9% of total revenue); Electronics sales were \$137.59m, and accounted for 8% of total annual sales.

Online sales accounted for 2.54% of the overall tally for 2022 and reached \$44.16m.

Sales in Departures across the operation totaled \$1.53 billion (88% of total annual sales), and Arrivals sales totaled US\$157.092 million, (9% of total annual sales).

"We are thrilled to announce such a positive year as travel returns, during which the operation went from strength to strength," reflected Colm McLoughlin, DDF Executive Vice Chairman & CEO. "I would like to thank our Chairman, H.H. Sheikh Ahmed bin Saeed Al Maktoum, for his ongoing support and I join him in thanking our great team of staff, our suppliers and of course our customers, who are fundamental to our continued growth and success."

DDF received a total of 19 awards in 2022, including its 21st consecutive Business Traveller Middle East Award for "Best Airport for Duty Free Shopping" for the 16th consecutive Global Traveler Award for "Best Duty-Free Shopping in the World."

European Commission approves Autogrill-Dufry deal

The Dufry-Autogrill merger is one step closely to completion.

The European Commission approved the acquisition of Autogrill SpA by Dufry AG, under the EU Merger Regulation, according to a Commission statement issued on Dec. 21, 2022. "The Commission concluded that the proposed acquisition would raise no competition concerns, given its limited impact on the market," noted the EC statement.

WTDC's Sean Gazitua appointed to Adrienne Arsht Center Trust Board of Directors



Congratulations to WTDC President and CEO Sean Gazitua, who was recently appointed to the Board of Directors of the Adrienne Arsht Center Trust (AACT).

Gazitua was one of six new members to the AACT Board of Directors named by the Miami-Dade Board of County Commissioners in November.

The Adrienne Arsht Center for the Performing Arts of Miami-Dade County is the preeminent hub for arts in Miami-Dade County, with a mission to engage and connect people from every corner of the community through artistic excellence and inspiring educational experiences. The Board supports the Arsht Center through supervision, recruitment, and advocacy.

"I'm honored to now be appointed to the Adrienne Arsht Center Trust Board of Directors. Community is one of the four pillars of WTDC. With this new platform, I hope to further uplift our community through the arts," said Gazitua.

Gazitua joins the AACT Board as a lifelong supporter of the arts and alumnus of Florida International University (FIU) where he is Vice President of FIU Alumni Association Board of Directors and President of Sigma Phi Epsilon Alumni Volunteer Corporation. He takes an active role in the development of his two sons as Chief of their YMCA Adventure Guides program.

Through his Foreign Trade Zone and logistics company WTDC, Gazitua also champions children's causes such as Live Like Bella, Lotus House, His House Children's Home, and Prison Fellowship's Angel Tree Project.

m1nd-set sees significant growth potential for GTR from E-commerce

The latest research from industry research agency m1nd-set unveils significant room for growth in the online and mobile retail channel within global travel retail.

The agency says that operators can increase overall travel retail sales by a more streamlined approach to e- and m-commerce.

Awareness of service is key

Compiled from interviews conducted among more than two thousand global travelers from July and October this year, the research underlines the lack of awareness among travelers of the online and pre-ordering services proposed by duty free retailers.

Only about one third of travelers were aware of the possibility to pre-order their duty free products online and just over one fifth, around 21%, of all travelers said they had actually pre-ordered their products via the duty free retailer's website at least once in the past three years.

m1nd-set Business Development Head, Anna Marchesini, commented on the findings:

"When shoppers are aware of the online or mobile commerce applications, the majority, around 7 out of 10 shoppers, do actually use these services to purchase or pre-order.

"The majority of shoppers who pre-ordered their products online did so prior to traveling, from home, which demonstrates the potential to increase sales if marketers program online campaigns to reach travelers who have either just booked or are about to embark on their international trip and entice them with duty free shopping offers."

"Timing is an essential ingredient when marketing to prospective duty free shoppers," said Marchesini.

TOP REASONS FOR PRE-ORDERING DUTY FREE PRODUCTS ONLINE



Most who pre-order buy more instore

"The majority of travelers visit the retailer websites well ahead of their trip, with around two thirds of shoppers who pre-order doing so within up to one month ahead of their international flight," she continued.

Interestingly, online sales do not necessarily cannibalize the in-store sales when the traveler arrives at the airport since six out of ten shoppers who pre-ordered online also went on to purchase in the duty free shops, noted Marchesini.

Understanding motivations

Understanding the motivations to purchase is important when marketing the online pre-ordering service to travelers. Main purchase drivers for pre-ordering includes the opportunity to buy special promotions offered exclusively online and the offer of attractive gifts with purchase.

Shoppers who pre-ordered also cited a safer and more pleasant experience, special airport retail exclusive editions and the advantage of not carrying the shopping items around the airport, where home or gate delivery or pick-up on arrival at destination options are offered, as other benefits.

Why not pre-order?

Travelers who do not pre-order said that lack of knowledge about the service tops the list of reasons why they do not buy online before the trip. Only around one third of travelers were aware of the duty free pre-ordering service, said m1nd-set.

Other reasons for not pre-ordering include a preference for a physical shopping experience and the possibility to browse in-store and touch, taste and feel the products prior to purchasing.

They also cite a lack of attractive promotions, purchasing on impulse and not being able to discern the product quality when browsing online as reasons for not pre-ordering.

Travelers said the lack of sophisticated technology to judge the product quality, including virtual reality presentations, live customer service chats or explanatory videos to demonstrate the product quality were further barriers to purchase.

"The behavior among shoppers who pre-order varies quite considerably across regions and categories, both in terms of which categories are purchased and how much is spent on each category. Variations are also quite significant when breaking down the data and analyzing by sub-category within the core categories such as Food, Alcohol and Beauty, as well as by age and gender segment," said Marchesini.



Cosmoprof North America launching Miami Beach Edition in January 2024

It is now official. Leading B2B beauty event Cosmoprof North America is launching a Miami edition in 2024. The inaugural show will take place January 23-25 at the Miami Beach Convention Center. Organizers expect the show to attract as many as 20,000 visitors over the three days, 40-50% of which will be international.

Show organizers and Miami Beach City officials commemorated the signing of the contracts with a celebration at the Miami Beach Convention Center on January 5, 2023.

The event was hosted by Informa Markets, BolognaFiere USA, and the Professional Beauty Association (PBA), the event organizers, along with representatives of the Greater Miami Convention & Visitors Bureau (GMCVB), and **City of Miami Beach Mayor Dan Gelber**.

Cosmoprof North America's decision to expand its leading B2B trade show to Greater Miami and Miami Beach represents a pivotal moment in bridging the gap between the U.S. and Latin America beauty industries.

Maria Torres, a familiar figure in duty free as head of Beauty Management Group, is working with Cosmoprof North America as resident curator for multicultural-owned brands and beauty.

As a Cuban American, and Latina entrepreneur whose home town is Miami, Torres is well placed to help coordinate the event, which is taking advantage of Miami's position as the Gateway to South America to focus on the Latin market as well as the East Coast of the U.S.

"The opportunities are endless," said Torres, speaking at the contract signing.

With more than 30 years in the beauty business working with some of the top names in fashion and luxury, and 20 years as a Cosmoprof exhibitor, Torres says that "Cosmoprof is the beauty industry's premier exhibition--it helps brands to present themselves, it helps brands to come in to the market. With the Miami show,

Cosmoprof is in a Latin market, for a Latin market," she said.

"It is a huge opportunity for all of us, both in Miami and in the United States. The Latina business is huge. It opens the doors to the Americas."

In 2022, Informa Markets, BolognaFiere, and the Professional Beauty Association (PBA) joined forces to produce an impressive lineup of events in the U.S. beauty market. Informa Markets also recently acquired Premiere Beauty's Premiere Orlando and its sister shows, and the trade show organizers expect to showcase Cosmoprof North America's extraordinary customer experience reputation with Premiere Beauty's top-notch educational approach in Miami.

While Cosmoprof's West Coast show will remain at the Las Vegas Convention Center, the new East Coast edition will provide a renewed focus on the Hispanic market. This rapidly growing segment in the beauty industry demographic segment has outspent non-Hispanic buyers by more than 13% in the past



Cosmoprof North America Miami organizers and Miami Beach City officials signing the contracts for the new event. From left seated: Antonio Bruzzone, General Manager of BolognaFiere, Ed McNeill, Senior Vice President of Premiere Show Group for Informa Markets, Nina Daily, Executive Director of the Professional Beauty Association (PBA). Standing: City of Miami Beach Mayor Dan Gelber and Maria Torres, Cosmoprof North America curator of multi-cultural and black-owned brands.

few years, and demonstrates great interest in personal care products that are natural and environmentally friendly.

Cosmoprof North America draws beauty industry professionals from all over the world and showcases never-before-seen brand unveilings and product launches for hair care, nail care, and skin care.

In 2022, more than 1,100 exhibitors representing all sectors of the cosmetics industry participated in Cosmoprof North America's Las Vegas edition. Throughout the three-day event, 32,000 retailers, e-commerce, distributors, importers, beauty brands, suppliers, and journalists connected with exhibiting companies to discover new product launches and develop new business opportunities.

"Cosmoprof's Miami Beach edition will leverage and capitalize on our strategic gateway to and from Central and South America, bringing with it an opportunity for Cosmoprof North America to expand its customer base," said **David Whitaker**, President & CEO of the GMCVB.

To learn more about Cosmoprof North America, visit:

www.cosmoprofnorthamerica.com



Interest is building in the Cosmoprof Miami event, which attracted a diverse group of domestic and specialized beauty people to the announcement celebration. Above, the Starboard Cruise Services team, Karla Nedeski, Priscila Abdala and Yasmine Kuloglu.

Maison Albert Bichot appoints Duty Free Global (DFG) to build the Bichot footprint in Global Travel Retail



Duty Free Global has been appointed the Travel Retail partner by Albert Bichot for the Domaines Albert Bichot wines as of Jan. 1, 2023.

Albert Bichot has a strong presence in Travel Retail and Duty Free Global will be in charge of developing new markets for the estate wines.

Albert Bichot is a family-owned winery based in Beaune, Burgundy. It was established in 1831 and is now headed up by its sixth 6th generation with Albéric Bichot.

The independent Albert Bichot owns over 100 hectares of vineyards from Chablis down to Moulin a Vent. The company practices sustainable viticulture, and no chemicals are used in the vineyards. Most of the domains are certified organic and the wines are eco-friendly.

Barry Geoghegan, Wine MBA and Founder of Duty Free Global commented, "We are thrilled to be representing Albert Bichot.

"I have always admired and enjoyed their wines and found them to be of such high quality. We visited the team in Beaune and found Albéric Bichot and his team so warm and hospitable whilst sharing their passion and knowledge with us.

"We know from speaking to the operators that Burgundy is in big demand worldwide!"

Albéric Bichot commented: "We are very excited to be working alongside Duty Free Global as we are confident, they understand the Albert Bichot philosophy and will share this spirit with the travel retail industry."

Crystal Head Vodka holds its biggest launch in Asia 2022 W Kuala Lumpur



The Ghostbuster theme was in full view when Crystal Head Vodka made its debut in Malaysia with a spectacular Halloween launch event in W Kuala Lumpur.

Crystal Head Vodka celebrated the biggest launch of the year in Asia by hosting a huge Halloween party in Malaysia at W Kuala Lumpur at the end of 2022.

The party for the multi-award-winning, ultra-premium Crystal Head Vodka was co-hosted by Crystal Head and JBrands, the sole importer and exclusive distributor of Crystal Head Vodka for Malaysia in both Travel Retail duty free markets and the domestic market.

High-profile models and influencers attended the event in dazzling costumes. Other guests included duty free travel and domestic retailers for Crystal Head Vodka, including representatives of Malaysia Airports retail operators ERAMAN, The Zon, PBH Duty Free and independent operators from all over the Malaysia duty free industry.

A highlight of the launch party was an appearance from Malaysia's one-and-only Ghostbuster Ectomobile, which was onsite in honor the iconic Ghostbuster star Dan Aykroyd, who along with renowned artist John Alexander, created the vodka and its one-of-a-kind skull-shaped bottle design that symbolizes life, reflecting power and enlightenment. Says the company. Crystal Head Vodka is produced in Canada.

MONARQ Group to distribute Drumshando Gunpowder Irish Gin in select markets in region



Duty Free Global's Barry Geoghegan and Albéric Bichot of Domaines Albert Bichot toast their new travel retail partnership.

MONARQ Group has signed an agreement with The Shed Distillery to represent Drumshanbo Gunpowder Irish Gin in the Caribbean as well as in select Latin America domestic and duty free markets.

Launched in 2016, Super Premium Drumshanbo Gunpowder Irish Gin has seen year on year growth to 1.4m bottles in 2022 globally. It is one of the fastest-growing premium gin brands in the world and has just been named the International Spirit Brand/ Distillery of the Year at the 2022 Wine Enthusiast awards.

A blend of 12 botanicals from across the globe, it is described as a citrusy-fresh gin, bottled under eye-catching, beveled blue glass, distilled at The Shed Distillery with oriental botanicals & gunpowder tea.

"We are excited to have signed a regional partnership with Drumshanbo Gunpowder Irish Gin. The brand represents one of the strongest recent success stories in our industry and it makes a perfect fit with our strategy of bringing innovative, successful, premium, and trendy drinks brands to our customer base, both distributors and retailers as well as consumers. We are looking forward to working with the Shed Distillery team to expand the brand's international success throughout our part of the world," commented Robert de Monchy, Founder, and Managing Director of MONARQ Group.