



HMSHost returns to airport retailing by acquiring Stellar Partners



HMSHost is re-entering the airport retail business with an agreement to purchase the shares of U.S. travel venue retailer Stellar Partners, Inc.

Stellar, which was founded nearly 30 years ago by Susan Stackhouse at Tampa International Airport, currently operates 38 convenience and specialty retail stores in ten airports in the U.S. and has annual revenues of \$38 million.

Stellar will become an independent subsidiary of HMSHost, which is part of Autogrill Group. Stellar will remain headquartered in Tampa, FL, with Stellar President and CEO Susan Stackhouse and Senior Vice President and COO Ramon Bosquez continuing to lead the business.

“We are thrilled to be re-entering the airport retail business by bringing Stellar, considered the best small operator in the industry, into the HMSHost family,” said HMSHost President and CEO Steve Johnson.

“The expertise Susan and Ramon bring will help us to develop our airport retail business, as well as enhance our existing retail stores in our motorway channel. I have known Susan and Ramon for many years, and very much look forward to working with them to grow Stellar in North American airports and position HMSHost to re-enter this \$1.5 billion market.”

“We, at Stellar, are delighted to be joining the HMSHost family, a world leader in our industry,” said Stackhouse. “I am personally honored that Host has recognized our value, is willing to invest in our future, and will allow the legacy of the Stellar brand to continue... Host’s resources and decades of experience will help Stellar grow and compete, while providing new opportunities for our 250 associates and our talented management team.”

Stellar, as a subsidiary of HMSHost, will continue to operate its 38 locations in such airports as Tampa International Airport, Orlando International Airport, Philadelphia International Airport, Miami Inter-

PEOPLE/COMPANY NEWS

Well-known travel retail executive **Michael Gebrael** has taken a new position, joining **Tea Forte** as chief executive officer. Gebrael was previously a regional director at Estée Lauder Travel Retailing Americas, and spent more than 6 years as managing director, travel retail for Shiseido in Miami, plus a year as vice president/general manager at sister company Bare Escentuals. Gebrael is now based in Boston.

Dufry will officially be inaugurating its new **Lima Duty Free** stores at **Jorge Chávez International Airport** in Peru on August 8, and **TMI** will be on hand to record the event. Look for our full coverage later on in the week. The new stores cover more than 3,000 square meters of retail space divided between arrivals and departures.

national Airport, San Diego International Airport and Washington Dulles International Airport.

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US international visitation breaks 5-month growth streak

The five-month growth streak of increases in international visitor arrivals to the United States was broken in February, when 4.9 million international visitors were recorded, down by -0.3% from February 2015, according to the U.S. Department of Commerce. This follows the moderated growth reported in January.

For the first two months of 2016, international visits (10.4 million) were flat (+0.1%) when compared to the same period in 2015.

Canada and Mexico continue to be the top inbound markets, although non-resident visits from Canada declined 13% in February. Visits from Mexico increased 3%, on the other hand.

Japan (+3%), the United Kingdom (+12%), and the People’s Republic of China (excluding Hong Kong) (+4%) rounded out the top five inbound visitor markets.

During the first two months of 2016, eight of the top 10 countries, posted increases in non-resident visits to the United States, with only

Canada (-13%) and Brazil (-23%) showing declines. For February, Canada, Brazil and France (-1%) recorded decreases in arrivals.

Top 10 Countries Visitation to the U.S.

Country of Residence	% Change Feb. 2016 vs. 2015	% Change YTD Feb. 2016 vs. 2015
Canada	-13	-13
Mexico	3	3
Japan	3	3
U.K.	12	12
P.R. China (ex.Hong Kong)	4	20
South Korea	27	19
Brazil	-26	-23
Germany	2	3
France	-1	2
Australia	5	8

U.S. Depart. of commerce, National Travel and Tourism Office



IATA: Passenger demand losing momentum

Global passenger traffic for June rose by 5.2% compared to the same year-ago period, up slightly from the 4.8% increase recorded from revised figures in May, reports the International Air Transport Association (IATA). However, IATA notes that the upward trend in seasonally-adjusted traffic has moderated since January.

International passenger demand rose 5.0% in the month compared to June 2015, and demand for domestic travel climbed 5.7%.

"The demand for travel continues to increase, but at a slower pace. The fragile and uncertain economic backdrop, political shocks and a wave of terrorist attacks are all contributing to a softer demand environment," said Tony Tyler, IATA's Director General and CEO.

International Passenger Markets

For June, all international passenger regions recorded growth, led by airlines in Latin America. Capacity climbed 6.4%, causing load factor to slide 1.1 percentage points to 79.4%.

North American airlines' demand rose 4.0% compared to June a year ago, which was well up on the 0.5% year-over-year growth recorded in May. Capacity climbed 4.7%, causing load factor to dip 0.6 percentage points to 84.3%, still the highest among regions.

Latin American airlines experienced an 8.8% rise in demand compared to the same month last year, suggesting that carriers there have flown out of the soft patch seen in the first quarter. Capacity increased by 5.2% and load factor rose 2.7 percentage points to 82.4%.

Asia-Pacific airlines' June traffic increased 8.2% compared to the year-ago period. IATA points out that most of the growth relates to the strong upward trend in traffic seen in the final months of 2015 and into 2016, with June demand barely higher than in February.

European carriers saw demand rise 2.1%, the smallest increase among regions, reflecting the negative impact of recent terrorism. While demand tends to recover reasonably quickly after such events, the repeated nature of the attacks may have a more lasting impact.

Middle Eastern carriers posted a 7.5% traffic increase in June, which was well down on the double-digit growth recorded earlier in the year. In part this could be owing to the timing of Ramadan, which tends to depress traffic growth.

African airlines' traffic climbed 4.7% in June, an indication that the strong upward trend in demand that began in the second half of 2015 has paused. Capacity rose 7.4%, with the result that load factor slipped 1.7 percentage points to 64.4%, lowest among regions.

Domestic Passenger Markets

Demand for domestic travel climbed 5.7% in June compared to June 2015, while capacity increased 4.3%, causing load factor to rise 1.1 percentage points to 83.2%. All markets reported demand increases with the exception of Brazil.

India continued to lead all markets with a 23.3% rise in domestic traffic, followed by China P.R. up 11.3% and the U.S., up by 4.5%

Margaritaville goes sailing with two new NCL cruise ships



Jimmy Buffett's famous Margaritaville Restaurants, with its island lifestyle theme, will soon be found aboard Norwegian Cruise Line's *Norwegian Getaway* and *Norwegian Breakaway*, following the success of the first Margaritaville at Sea that debuted on the *Norwegian Escape* last year. NCL has an exclusive partnership with Margaritaville.

The open-air Margaritaville at Sea will open September 18 aboard *Norwegian Getaway* in the former Flamingo Grill, and on October 9 aboard *Norwegian Breakaway* in the former Uptown Grill, announced Andy Stuart, president and COO for Norwegian Cruise Line.

The new restaurants are part of The Norwegian Edge, NCL's \$400 million investment program dedicated to delivering an exceptional onboard experience.

HMSHost buys Stellar Partners

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Stellar currently operates exclusive brands Stellar News and Stellar Books, as well as other popular brands.

Susan Stackhouse and Stellar Partners have been recognized in the industry with numerous awards, most recently as 2016 Best Overall Retailer and Best News & Gift Operator by *Airport Revenue News*.

HMSHost operates in more than 120 airports around the globe, including 44 of the 50 busiest airports in North America. HMSHost announced that it would spin off its travel retail business in October 2012, selling 45 stores at Hartsfield-Jackson Atlanta International (ATL), Oakland International (OAK) and the Empire State Building to World Duty Free Group. At that time, both companies were part of the Autogrill Group. The deal was fully completed on February 28, 2015, and since then World Duty Free Group has been acquired by Dufry.

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Toronto Pearson airport opens new Terminal 3 retail space



On Thursday, July 21, 2016, Toronto Pearson International Airport officially opened a 50,000 square foot space in Terminal 3 for passengers to “eat, shop, relax and recharge.”

The new revitalized space marks the next step in the evolution of Terminal 3, and features shops and restaurants from HMSHost, OTG, Dufry Duty-Free and Paradies Lagardère Travel Retail said the airport officials.

To celebrate the opening, passengers were treated to multicultural dance performances representing several international destinations serviced in Terminal 3 along with free sampling at dining locations and gifts with purchase at retail stores.

The new area is located just past security screening, and includes Dufry Duty Free (formerly Nuance), Discover Canada, iStore, Canadian clothing brand Lolë, and Relay books and newsstands. Several new restaurants were also introduced.

Toronto Pearson officials say they are dedicated to making all aspects of new spaces passenger-centric. The heart of this new space incorporates a large skylight bringing natural light into an area filled with comfortable seating, charging stations integrated into tables, LED trees, and other whimsical elements aimed at helping ease the stress of travel.

The design language incorporated throughout this new section improves wayfinding by creating intuitive flows for the passenger. Updated amenities improve accessibility and passenger comfort, and the digitally enhanced network of larger-than-life Samsung screens and back-end Cisco technology provide passengers with important flight information at key decision areas.

The Terminal 3 Enhancement Project, expected to be completed in 2017, will improve passenger flow, introduce new and refreshed facilities and retail offerings, and better meet the needs of airport users today and in the future.

Toronto Pearson is Canada’s largest airport and handled 41 million passengers in 2015.

“The newly redesigned space in Terminal 3 marks another major milestone in our work to ensure every element of the airport becomes one that enhances the passenger experience,” said Scott Collier, Vice President, Customer and Terminal Services, Greater Toronto Airports Authority, which operates the airport. “Passengers want a relaxing space to unwind before a trip, they want to charge their devices, and a variety of places to eat and shop. This new entry to the gates delivers on that in a big way.”

DFWC 2Q-16 Global Shopping Monitor highlights the shopping experience and duty free exclusives

Travelers appear to be happier with the duty free shopping experience these days, according to the results of the Duty Free World Council’s quarterly KPI Monitor for the second quarter of 2016.

The report, which was compiled from interviews with over 4,000 travelers across all major world regions during Q2 2016, demonstrates a marked improvement in perception levels of the overall shopping experience and the role of exclusives.

Duty free shopping as an integral part of the travel experience, motivation to purchase exclusives, the unique experience and a place to buy gifts combine to account for a 6% improvement in the shopper perception among the travelers interviewed since Q4 2015 when the Customer Satisfaction Index was launched. The only aspect which sees a downward trend (-2% vs Q4 2015) is the number of passengers who perceive duty free to be cheaper than elsewhere.

Produced in partnership with research and consulting agency mInd-set, the Monitor reports a slight increase in the Customer Satisfaction Index globally, up one percentage point on the previous quarter.

Europe and South America have both seen a slight drop in overall Customer Satisfaction levels, both falling by one point, for the second quarter in a row for South America.

Asia Pacific records improvement for the second quarter running, up by 2 percentage points, and the Middle East is up by one percent while satisfaction levels for North America remain constant.

The value aspect emerged as the most impactful on the overall satisfaction index, with value for money moving into first place among the main aspects listed, up from second place two quarters ago. The range of affordable products has also moved up from 5th to 4th place among most impactful aspects identified.

Another positive outcome of this latest KPI Monitor is a decline in the percentage of travelers expressing confusion over customs rules: 38% of shoppers say they are not well informed about the customs regulations, down 2% from Q4 2015. There is also a 2% drop in the number of shoppers saying they refrain from purchasing due to confusion over the rules and the fear of having their goods confiscated.

The KPI Monitor reveals that travelers are using technology more frequently while shopping in duty free and travel retail. There is still room for improvement, however, as adoption levels are still relatively low. Only 17% of shoppers surveyed say they are using electronic devices for shopping information, although this is up from 15% on the final quarter of 2015. Fewer people are claiming never to use electronic devices for shopping information compared to the same period – 49% compared to 53% in Q4 2015.

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Ideal candidate has 3-5 years marketing experience in the luxury fragrance/skincare & makeup industry working with demanding brands in a mature market; must be experienced in developing media plans, implementation of trade marketing, forecasting, and advertising. Responsible for implementation of marketing strategy. Travel Retail and Local Markets experience is ideal. Degree in Marketing or Business Administration required and must possess strong analytical skills and excellent oral and written communication skills in English and Spanish. 20% Travel required.

PRODUCT MANAGER

A minimum of 3 years' experience in the luxury goods industry (in TR fragrance and/or skincare & make-up is preferred) to assist Marketing/Brand Manager with coordination of launches, promotions, implementation of marketing plan, forecasting, product launches, animations, ordering of media and PR images. Knowledge of Photoshop preferred: strong knowledge of MS Office a must. Degree in Marketing or related field preferred.

MARKETING ASSISTANT

A minimum of two years' experience in the luxury goods industry to assist the Brand Manager with various marketing responsibilities that include the coordination of product launches and animations, maintaining updated distribution database, ordering visuals, in addition to other administrative duties. Strong knowledge of MS Office needed.

Applicants please send resumes to: gcamplani@bpi-



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Sales Coordination

Create new product offers & catalogues; communicate assortment updates; assure information entered in SAP matches information received from customers; maintain promotional calendars; create presentations; solicit customer feedback.

Position Requirements

Full Time, HQ based position (Coral Gables); Graduate degree (college); English a must, Spanish and other foreign languages a plus.

Pls. send resumes to info@heinemann-americas.com
With CC to: m.mariani@heinemann-americas.com

DFWC 2Q-16 Global Shopping Monitor

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While still less than half of shoppers compare prices with other duty free shopping locations, downtown or on the internet, the percentage has increased by 2% from 44% last quarter to 46%. 9% of shoppers (3% more vs Q1 2016) are comparing prices to internet retailers while 19% (1% less than in Q1) say they are comparing to downtown retailers.

While the Shopper Monitor reveals top level data for the most part, with some regional differentiation insights, more detailed data on the regional disparities for each aspect studied is available from m1nd-set upon request (info@m1nd-set.com).

