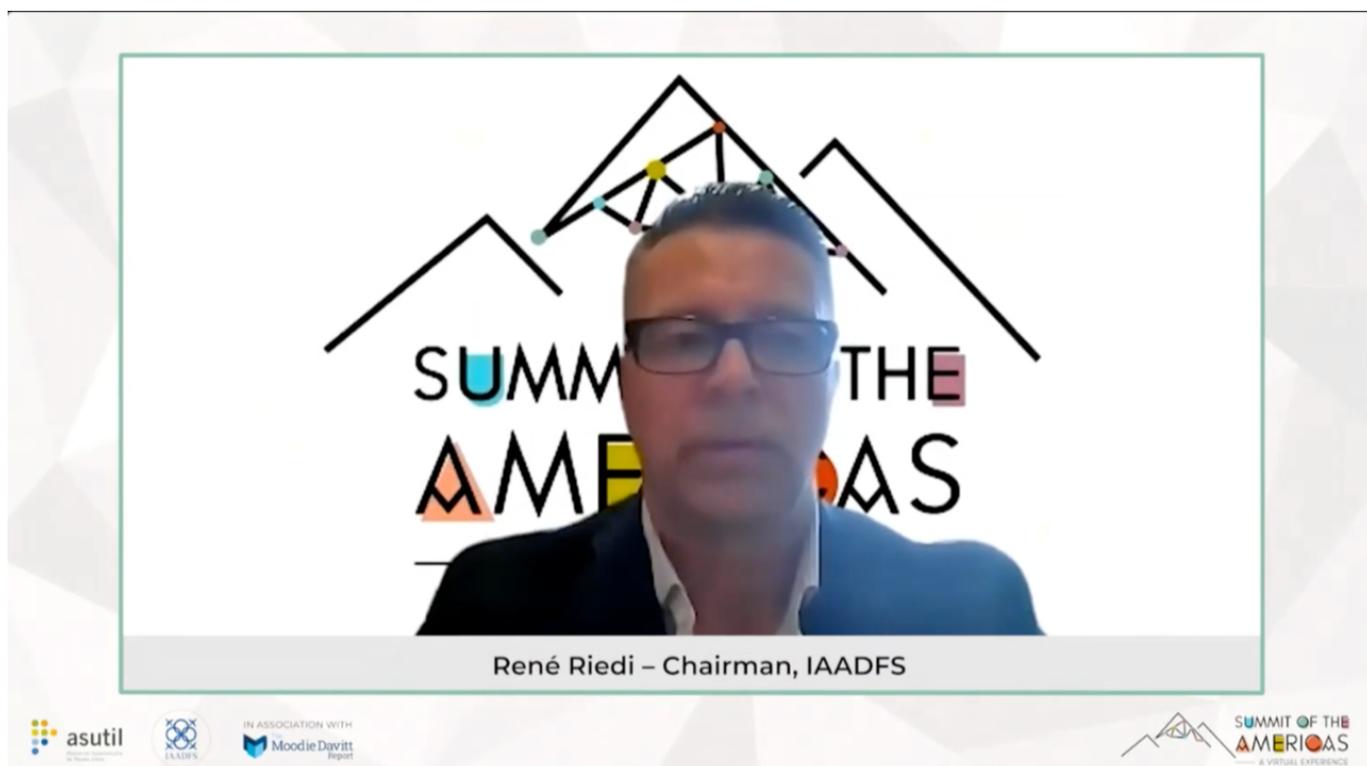


Summit of the Americas Day 1



While we continue to await the vaccine rollout and thus once again have confidence that it is safe to travel and gather, the Summit of the Americas virtual event had an excellent start on Day 1.



The event opened with an address by IAADFS Chairman Rene Riedi, who offered some sobering figures on the financial repercussion of the COVID-19 pandemic on global tourism and GDP, with losses of US\$910 billion in travel and tourism related sales and an effect on the global GDP of 1.5% to

2.8%.

He reminded us that despite some positive signs, the crisis is far from over, and explained that that a virtual event was the only possible option at this point.

But also, this virtual event put on in partnership with FILTR.QINGWA and the Moodie-Davitt Report, is as close as possible to gathering in person, with the main Atrium, the Knowledge hub and the Experience hub offering real-time communication, keynote speakers, analysts, conferences, panel discussions and, of course, stands and exhibitors.

Airports weigh in

Corporación America Airports CEO (and ACI World Chair) Martín Eurnekian's main message is that the industry and governments all have to plan for the possibility that the vaccines may not be 100% effective over the long term. He reminds us that the President of Argentina had the vaccine in December but tested positive two weeks ago.



While vaccines are rolling out throughout the world and governments are relying on a certain number of people to be vaccinated in order to reopen, we need a plan B.

When everything closed down in 2020 we expected the “new normal” to have arrived during that calendar year, whereas here we are now well into 2021 and the new normal has yet to arrive, says Eurnekian. In other words, things do not necessarily go according to plan.

“In the beginning, fear was the driver. As we have learned more about the virus and its transmission the driver has become restrictions. Everyone has come to terms with the virus being in our midst. The fear is still there but not in the same way,” he says.

Eurnekian says travel has such a profound an effect on world GDP that governments must allow for reopening no matter what; as we are in uncharted territory, we need to have a plan in place. Travel organizations such as IATA, ACI, IAADFS, ASUTIL have to come to terms with things as they are and

take steps toward systems that ensure safety for travelers, thereby allowing governments to feel comfortable to restart.

Road to Recovery

Other events on Day 1 included a panel discussion on the Road to Recovery, with 3Sixty Chief Operations Officer Alex Anson, Motta Internacional Senior Vice President Aurelio Barria and Dufry General Manager Sub-Cluster South America Enrique Urioste speaking with Dermot Davitt.



There was considerable difference between the experiences of the three operators, with Motta Senior Vice President Aurelio Barria began by speaking about how slow business has been, at 30% of 2019's numbers - lower sales than in the past 20 years. He noted that Chile has just reclosed its borders, and says with the vaccine will come gradual improvements.

While 3Sixty COO Alex Anson also sees slow areas of business, 3Sixty has a substantial footprint in domestic US airports, which have seen a large uptick in the past month. In the week leading up to Easter, the TSA screened around 1.5 million people per day; while down from the average 2.5 million at this time of year in 2019, it is up more than tenfold since the same time last year.

The same cannot be said for international travel, where all three retailers continue to be heavily affected.

Urioste said at best sales are currently 20% of 2019, and that these are well up from zero sales in 2020. The company had to restructure in order to get through what he calls "salvation mode."

He believes there is a hunger for travel, saying the world and connectivity were wider and more open than they'd ever been, and that our basic rights of freedom to travel were taken from us. "Vaccine is the road back to freedom."

In Urioste's opinion, which has been echoed throughout the industry, now is the time to reinvent the travel and airport experience. Digital is a part of that, and is a "key tool to bounce back sales," but

indeed the entire relationship with passengers can be, and needs to be, different.

If this time has shown anything in this industry it's that it is possible to work in a much more collaborative way that benefits all stakeholders, and Urioste believes now is the optimal opportunity to "reinvent" a new collaboration.

Barria agrees that it's imperative to presell and be in touch with passengers before they go to the airport, to get to know the customer, and the importance of e-commerce to reach the customer and to offer something that customer wants. He also brought up the landlord relationship and how this needs to become more of a partnership.

The focus on the customer and getting to know that individual is something Anson discusses. He speaks directly about in-flight sales and the fact that they know exactly who the customer is.

In short, the keys to recovery are first, vaccines, which the industry has no control over. Among things it's possible to control, working collaboratively with airports and other stakeholders, getting to know the new customer, communicating with customers early in their journey, learning and understanding what they want and need, and then offering these items to them in a manner that they would like, whether that is via ecommerce and home delivery if possible or through bricks and mortar shops.

Brand perspective



Joining Dermot Davitt for the next panel discussion were brand representatives William Pritchett from Hershey International, Ignacio Vásquez from Bacardi GTR, and Guillaume and Antoine Bona from Essence Corp.

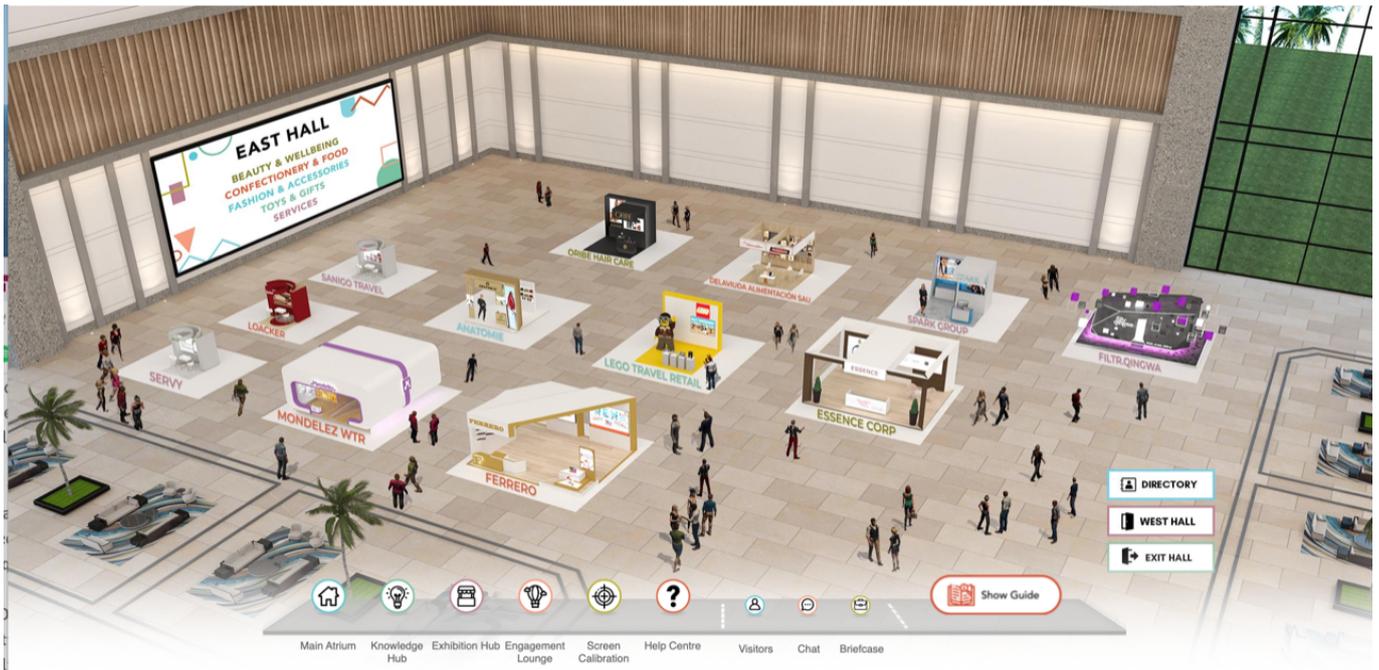
We have heard similar ideas coming from a great many brands and other stakeholders during this time, and that is the importance of sustainability, experience and omni-channel.

Relationships have been especially important during this time, and brands have worked closely with operators to clean up inventory, working with retailers on strong promotions; in particular this has

been the case to try to increase sales overall and also with the knowledge that sales are so much lower, to deplete excess stocks.

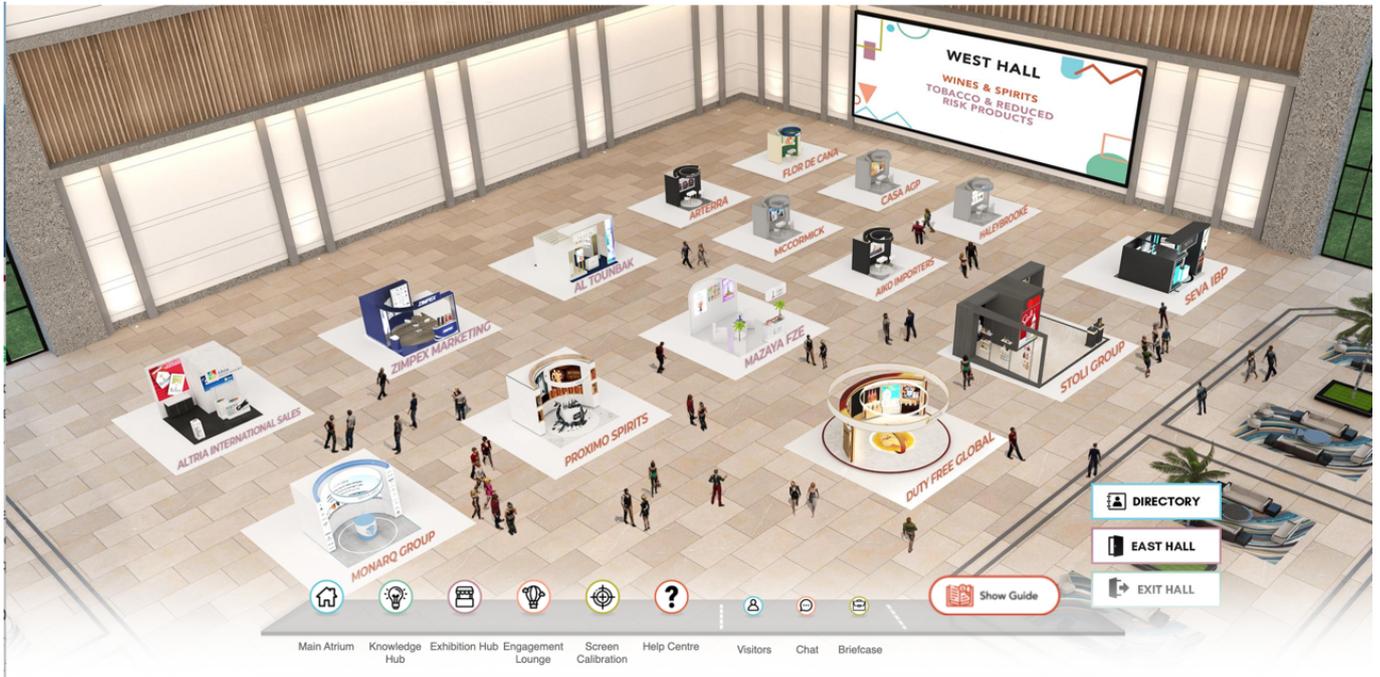
While digital is an important channel, again brands and the brands' distributors such as Essence Corp have been mainly acting in a supportive role to the retailers' digital platforms. Like Bacardi, brands are also using this down time to prepare for the future.

The good news for all members of the trinity is that people want to travel; they are hungry for travel. While at this point no one knows exactly what the future will bring, recovery is on its way and numbers are starting to climb.



Exhibition hub

Keynotes and panel discussions are important but the event would not be complete without a trade show floor and networking, both of which are offered. The virtual stands offer the opportunity to see new launches, learn the stories behind them and, of course, communicate with members of the respective teams.



The week ahead

We welcome the opportunity to engage with those we would normally see in person, and we wish all participants a successful week ahead in this virtual realm where we can network, chat, learn and engage in an almost-live environment.