

TFWA President addresses uncertain times

By **Hibah Noor** on April, 7 2020 | Associations



TFWA's President Alain Maingreud

In Alain Maingreud's second year as TFWA President he has had to face the greatest challenge the industry has ever seen. Chinese authorities were just beginning to learn of the existence of COVID-19 as he was elected for his second term, and a mere two months later the virus was well on its way to becoming a pandemic, resulting in the unprecedented closing of borders and cancellation of international flights the world over.

Significant impact

The cancellation of TFWA Asia Pacific in Singapore was far from unexpected, but still a great reminder of the current state of the world. A decision such as this does not come without expense; much of the event's investment throughout the industry had already taken place, and certain commitments are not simple to get out of. Maingreud says the financial impact to TFWA is going to be significant. "We continue to work with our partners in Singapore and elsewhere to evaluate the situation and plan a way forward. We need to look at and deal with a range of administrative and accounting issues with

exhibitors, our partners, our service providers and others.”

In times of uncertainty, any organization must look at all decisions with a highly critical eye. This is especially the case during an extreme event such as this, when both the eventual outcome and its timeline are truly unknown. “The situation obliges us to review our priorities, and making sure that we manage our resources effectively and efficiently is now even more important than ever,” says Maingraud. The TFWA office has now been closed. This has created its own challenges, though the professionalism and commitment of the staff has helped to ensure that they are ready for future deadlines and responsibilities

Moving forward

With so many unknowns, it is impossible to know what will be the condition in the fall when TFWA World Exhibition & Conference is set to take place in Cannes. TFWA continues to monitor the situation, but Maingraud says the association is determined that the event will provide the opportunity for companies to plan their recovery. Preparations therefore continue, though circumstances are not ideal.

“Our team members are very determined to find a way forward that is in the interests of our industry,” he says. “We appreciate the economic impact of the crisis on our members and on other industry stakeholders, and the fact that the crisis has prompted many people to review or question their plans. But we do definitely need to be ready for a rebound, and a forum such as the TFWA World Exhibition & Conference will provide a useful platform for this recovery. We will of course review all elements of the organization of the event, and adjustments will be made to the format where necessary.”

Maingraud is hesitant to predict any outcome for attendance at TFWA in Cannes this year. He says not only is this impacted by what is happening in the world at large, the association had already been planning to introduce new elements and formats. “We won’t be comparing like with like in terms of visitor numbers, exhibition space and such. But it’s important that we’re there to start re-building solid foundations for the business to recover.”

More than just business

As with everyone who has been involved in travel retail for any length of time, Maingraud says he has faced a number of difficult situations in his career, but nothing comparable to this — not only as it concerns business but also as it relates to the world at large: “The seriousness and scope of this crisis is exceptional and goes beyond merely the business aspect; it has had a profound impact on our lives as nothing has done in recent history. It has become a significantly wider philosophical issue, which raises questions about the way our world is organized and how it should be shaped going forward,” he says.

Travel retail is always described as a resilient market that always bounces back; indeed, even when faced with grave social, political and economic difficulties most leaders in the industry seem to be set stoically and without worry on preparing for a return to normal. In this case, however, the word “normal” itself is a question mark.

Maingraud says the question of when things might return is a difficult one to answer. “Some countries are having a more difficult time controlling the outbreak,” he says. “The answer, however, lies in the question. The situation is different depending on the country and the region, but everything is interconnected. As an example, the recent measures put in place in Singapore because of the situation in Europe and in the US. We hear some positive news coming from China and we should wait

and see whether the sign of the start of at least a partial recovery can be confirmed. The impact on the whole aviation ecosystem is particularly tough, and its capacity to recover will be key. Support from governments and international bodies will have a significant impact on the pace of recovery.”

Part of an ecosystem

This reality is a good reminder of the importance of regional associations, who work tirelessly on the travel retail industry’s behalf to help ensure they are not forgotten by governments who may provide aid to the aviation industry. “It is a clear fact that many airports, in particular, would find it difficult to survive without the commercial revenues to which our industry makes a very significant contribution,” says Maingreud. “Governments and relevant authorities must understand the value our industry brings to the travel ecosystem. Without a thriving duty free & travel retail industry, it will be very difficult — perhaps impossible — for the aviation and maritime industries to fully recover.”

Of course, the travel retail industry does not exist in a realm beyond humanity. In addition to concerns about the virus’ impact on short- and long-term business concerns, cash-on-hand issues and potential for recovery are real human concerns about the health of stakeholders’ staff, their loved ones and themselves. Maingreud suggests that for everyone the uncertainty about all of these issues is the most unsettling aspect of the crisis.

Helping others

The duty free & travel retail industry is well known for its efforts in helping and supporting those in need. Maingreud would like to remind readers of the #OneWorldOneTR initiative. “At such a challenging time, when our trade and national news channels are reporting very gloomy news, this campaign is enabling us to share good news stories about the programs and activities that have been going on around our business to mitigate some of the negative effects of the health crisis. We, as an industry, are not renowned for sitting back and doing nothing when the going gets tough, and it’s very gratifying to see so many imaginative schemes to help staff, commercial partners and the communities we serve.”