

International Shoppes offers insight into the future of travel retail

Last week, IAADFS hosted an interactive webinar, “Managing Through COVID: From Crisis to Recovery,” presenting an expert panel of industry insiders to discuss the future of travel retail. As a feature member of the expert panel, Matthew Greenbaum, VP of Business Development, International Shoppes, discussed from personal experience the road to recovery of the duty free and speciality retailer. As most of the operator’s locations were closed for some period throughout the first half of 2020, he says that the damage to the travel retail and duty free industry can’t be understated.

Described online as delivering the best service and product assortment to the traveling public, International Shoppes will be celebrating its 70th anniversary this spring. With its headquarters just outside of JFK and a presence across the USA, the family-owned business notes that airport operations and recovery is dependent on location – and in some cases on terminal (even within the same airport).

Greenbaum touched on International Shoppes’ expanding of its e-commerce platform, adapting of consumer engagement at the store level and experiencing of flexible suppliers, partners and landlords. Quickly pivoting its business model, the retailer added a number of feature suppliers to its platform and started to distribute PPE to airport staff. Considering the willingness of some to talk, test and interact in-store, the panelist states that it’s necessary to have a “concentration of sophisticated salespeople” such as supervisors and brand ambassadors on-site. As a result of open communication and close coordination, the retailer has been extremely pleased with the response of its suppliers and landlords. From the returning of products to the waving of fees, International Shoppes has embraced the flexibility and executed innovative staffing plans to ensure the use of all resources and service opportunities.

“We’re seeing people want to engage. The customer seems to be open to conversation. I think the average customer is more willing to be steered toward and interact with different products. I think with the right salesmanship and the right signage we’re going to see customers go toward more of what our salespeople suggest and not necessarily what they thought they were going to purchase,” he shares.

Describing an overall “healthy appetite for shopping and traveling,” with more people working from home, Greenbaum believes that once a vaccine is distributed there will be an explosion of personal travel. However, moving forward, with no explicit government support of the airport, airline, duty free and travel retail business, he says that there is a need for more rapid testing, more clear guidelines and a unified international strategy.

“[People are generally willing to travel. We’re seeing that people feel safe about getting on an airplane. The problem from my perspective is that the rules surrounding travel are extremely complicated. There are travel restrictions from state to state in the USA and then it gets even more complicated when looking at international travel.

There needs to be a better coordinated effort both within the USA and among governments. One of the things that I’m encouraged by is that we’re seeing ‘air bridges’ or ‘bubbles’ between certain destinations. More of these approaches need to happen and there needs to be more support and coordination from governments to make people feel confident to travel,]” adds Greenbaum.

Considering the possibility of a third wave, he'd like to see language that covers the wants and needs of the industry and a sense of awareness of its expectations and responsibilities.