

International Duty Free Shops' Christopher Tantoco discusses 2021



IDFS celebrated its 30th anniversary last year, and will continue to serve the Moroccan people and guests for a very long time to come

After several upgrades and openings last year including doubling its floorspace at the newly extended Terminal 1, Casablanca Mohammed V Airport, and the addition of several new brands including Benefit Cosmetics and Wright Tea, International Duty Free Shops (IDFS) found itself shuttered for several months due to Morocco's closed borders.

Morocco's travel restrictions began to ease on July 15, allowing resumption of international repatriation flights with strict safety measures in place.

Restrictions were further eased only this October when the Kingdom reopened its borders for nationals of visa-exempt countries, provided they comply with the requirements. "Presently, the majority of our airport shops are operating daily at a slow pace, except for some, which only operate a few days in a week," says Christopher Tantoco, President IDFS.

In May, with strict safety protocols in place aligned with the directives of Morocco's Ministry of Health and WHO, IDFS began serving the diplomatic community through an enhanced and personalized ordering service. "We retrained our store team and employees to transform their in-person selling

skillset to digital," says Tantoco. "This helped us in serving our customer through their preferred mode of communication: mobile, messaging, or email. As most were still on lockdown, we added door-to-door delivery for their convenience and safety."

Continued values

"At the start of the crisis, we knew that our decisions would define us as a company. Thus, we made sure to focus and stay true to our corporate values in our operations: integrity, dedication and determination, flexibility, and service orientation — towards our employees and our customers. By focusing on these, we are hopeful to emerge from this crisis and serve Morocco for many years to come."

Tantoco is grateful IDFS did not have to close any shops during this time. "Like other companies, we reduced expenses in other areas to offset the impact of the lockdown. For our staff, we were able to maintain our regular employees to provide for their livelihood during this crisis." Tantoco says the company remains in close communication with the Kingdom's Airports Authorities, ONDA, for any operational concerns and directions. "We continue to work together in making our shop and our airports safe for everyone."

New directions

The team's resilience, dedication and determination have been key in this new environment. "We know that change is constant, so we continue to be dynamic and agile in capturing opportunities as they arise. I would like to thank the team for their unwavering commitment during this time," says Tantoco. "Recently, we opened a downtown boutique in Casablanca and soon will be launching a digital platform for home delivery, to offset the impact of the lockdown. This is an exciting development for us as we can now reach non-traveling customers and bring their airport favorites to their doorstep."

The current situation has helped IDFS to rethink its strategies on how to best serve its customers, such as the enhanced diplomatic ordering service. "We will also implement the same with our downtown boutique, where our local customers can order digitally and have their goods delivered conveniently at home," says Tantoco.

Customer engagement, with limitations

According to Tantoco, the company is seeing that customers are beginning to engage again. "They appreciate the health and safety measures we have put in place, and the protocols our trained staff follow," he says. "It is very important for us to provide a safe working environment for our team so they can provide our customers with a safe and pleasant shopping experience."

He adds that they are seeing changes in customers' buying patterns, most significantly in the Perfumes & Cosmetics and Fashion categories. "We continue to see reservation from our customers to test products or fully engage with sales staff," says Tantoco. "With Fashion, customers are showing restraint, as their focus has been on essential items. This has impacted us negatively in sales of P&C and Fashion, despite strict implementation of health and safety measures in our airports and shops."

While these categories are not doing as well as he would hope, Tantoco says the Tobacco and Wines & Spirits categories have remained strong. "Given our price advantage on these planned purchases, Tobacco has remained our number-one category driver, followed by Wines & Spirits," he says. "With regards to assortment, we will definitely be focusing on products that are essential for our customers, because they are at the heart of all we do. We understand our customers' changing needs during this time and will ensure the best offering, whether these products are already existing in our portfolio or 2

we introduce something new.”

Rebound coming

Tantoco states that the frequency of international flights is slowly increasing, month on month. As this is the case, the company’s revenues increase in turn. The sales volume varies according to region and airport, based on number of flights and passenger traffic, says Tantoco. “We believe that everyone, both in the business community and the government sector, are exerting all efforts to revive the business and the economy. With ONDA’s support and recovery plan for the Kingdom’s tourism in place, a rebound in the future is not far-fetched.”

Throughout this year, all companies relied on established business relationships and cooperation in order to get through, and IDFS was no different. "We are grateful for these partnerships and for the help ensuring we continue to provide our customers with a pleasant and safe shopping experience."