

Jordanian Duty Free Shops CEO: “Our strategy is intact”



Haitham Al Majali, CEO of Jordanian Duty Free Shops

In an interview with *Gulf-Africa Duty Free* magazine, Haitham Al Majali, CEO of Jordanian Duty Free Shops, discusses the effects of the COVID-19 pandemic on the operator’s 19 land and sea stores and his exciting plans for the future.

Gulf-Africa Duty Free: How are you and your family?

Haitham Al Majali: First, allow me to thank you for taking the time to hold this interview, and for the

kind gesture. My family and I are thankfully safe. Luckily, due to the wise leadership of His Majesty King Abdullah II, and the preemptive instructions he gave to the government to do all in their power to keep us safe, it is only fair to say that everyone, whether Jordanian or not, feels safe and taken care of during this disastrous pandemic.

I hope with the mutual efforts of the government, first row workers, doctors, nurses, and law enforcement personnel from the police and the army, we will all overcome this global crisis and get back to our normal lives.

I believe His Majesty King Abdullah's call to return to globalization is of great value, and perfectly lays the ground rules to what can be the solution to this global crisis. Every nation needs to join forces to fight this pandemic, medically, economically, socially and politically.

G-ADF: What's the situation in Jordan? Has there been a loosening of restrictions?

HAM: Since the beginning of this catastrophic pandemic, the kingdom introduced early travel restrictions on high-risk countries and began preparing health workers and hospitals for the outbreak. Then the government took strict measures and forced an extremely strict lockdown on March 18. The army and police were deployed all over the country to stop travel and enforce closures.

Now, after more than 50 days of complete lockdown, and having the virus under control, the government started to gradually lift the restrictions on all economic activities. Companies are resuming their work and shops are reopening, but all of it is implemented with restrictions... and social distancing is also implemented. The Prime Minister recently issued a national defense order that aims for the mandatory use of masks and gloves all over the nation, for all employees and the rest of the population.

G-ADF: What does this mean for your duty free businesses? What are your plans for when things gradually get back to normal?

HAM: This pandemic has caused a snowball effect on all businesses, countries and economies are suffering from the complete shutdown, and thousands if not millions of people are losing their jobs on a daily basis. Like any other company, we have been affected with this pandemic. Since the beginning of the spread of COVID-19, the government implemented a travel ban from and to the kingdom, and this resulted in the closure of all borders, which eventually caused a complete shutdown of traveling. Therefore, in accordance with the rules and regulations as ordered by the government, we had to completely close all of our shops at the beginning, then started with minor operations at our diplomatic shop in downtown Amman, and some operations at our shipping stores at the Al-Karama border.

Prior to the spread of COVID-19, our company was building an entertainment and commercial complex in the city of Aqaba. An elite and state-of-the-art shopping and entertainment destination for families and tourists, the 21,000 square meter complex was due to open this summer, as construction is nearly completed. Today, we will resume working on finalizing the project and bring it to life as soon as possible.

G-ADF: What are the challenges once stores reopen? What are your plans for 2020?

HAM: Undoubtedly our business is currently in the line of fire. The borders are still closed due to the international travel ban, which means there is no traffic on the borders, hence no operations in some of our stores. One cannot predict when international travel will be resumed, but we are hoping this will happen soon. Once this happens, we are realistically taking into consideration the global fear of traveling, so we are not expecting the sales to go back to normal in all our shops at the beginning, but

we also understand that eventually life will carry on its normal routine and the travel system will gradually go back to normal numbers. Our plan is to adapt to the situation until this war against the virus is over, keep our internal operations and strategy intact, and focus on promoting our operations to our loyal customers, while still providing them with the same premium products they expected from us since our establishment.

G-ADF: Will you be able to recover revenues you've lost? What is the government doing to ease the financial strain?

HAM: Medical experts believe that globally, we have to live with the fact that the coronavirus exists, and there is also a global concern of a second wave. While we keep our fingers crossed this wave does not take place, it is our duty to adapt in order to protect our businesses and set up strategies to avoid being affected once again, while keeping in mind that it is hard to anticipate when this fight will be over. We have all witnessed the importance of technology during this pandemic, and now there is an urgent need for all businesses to adapt to the age of technology. Therefore, our company is currently working on future strategies to recover and automate the shopping experience from our shops. Our recently renovated website is supporting e-commerce now, and soon we will be introducing this service to our customers.

The government has recently announced a couple of new defense orders, aimed at protecting the interests of private sector companies and their employees. Prime Minister Dr. Omar Al-Razzaz announced a set of economic programs to help companies. Companies who were forced to [implement] a complete operational shutdown can apply to pay only 50% of the wages to their employees who haven't been to work due to the lockdown. The government also announced the need for flexible working and working remotely. Bank loan interest for affected companies will be paid by the government and a set of financial incentives will be reimbursed to affected companies.