

CDFG: DAWN OF A NEW AGE

The huge expansion of duty-free shops in major Chinese cities heralds the dawn of a new age for the China Duty Free Group (CDFG), according to its president Charles Chen.

Chen told delegates at the Tax Free World Association (TFWA) China's Century Conference that 2018 duty-free sales from the company's outlets in Hainan alone exceeded \$1.5bn in sales, with CDFG's huge Haitang Bay store generating \$1.1bn.

Chen pointed to plans for more downtown duty-free shops in major cities such as Beijing, Hong Kong and Macau. With 149.7m outbound Chinese tourists spending \$120bn (+4%) last year, and the spend per capita up 14.9% to \$2,971, this is the "dawn of a new age" for the CDFG, Chen said.

China's outbound travel market maintains high-speed growth continuously, hitting a new record high in both scale and consumption expenditure in 2018, he said.

Interestingly, Chen added that nearly 60 brands will launch exclusive limited editions for the 40th anniversary of the China duty-free industry, this year.



TFWA China's Century Conference attracted a record number of delegates to Hainan Island

There will also be more choice when it comes to special sets and exclusive limited editions to satisfy the diverse individual needs of consumers. Chen also revealed that CDFG has entered into a comprehensive strategic partnership with e-commerce giant Alibaba to build a new travel-retail business mode.

The fourth TFWA China's Century Conference attracted 418 delegates to Sanya, Hainan Island, for the March event – an increase of 1.5% on 2017.

The popular TFWA ONE2ONE service hosted 115 meetings during the course of the three-day conference at the

Grand Hyatt Hotel in Haitang Bay. Haitang Bay is home to the sprawling CDG Sanya International Duty Free Shopping Complex.

Delegates were welcomed by Hainan Province director of finance Wang Huiping – who promptly announced plans for two further offshore duty-free licences for the island in 2019.

Stephen Hillam of NPD Travel Retail presented a new study into younger Chinese consumers, while Cartier's Cécile Naour offered a brand-owner perspective. Sales staff needing to interact more with younger Chinese shoppers was the subject of a presentation from Dufry's Andrea Belardini. Meanwhile, Eudes Fabre of Lagardère Travel Retail highlighted how differentiated customer experiences drive turnover, and King Power Group's Sunil Tuli told delegates that price matters less than quality to today's passenger.

There were also presentations from Japan's Nagoya Airport, Schiphol Airport and a presentation on China-US relations by the author and economist Ann Lee.

Bottega rolls out Prosecco Bar concept

Italian drinks brand Bottega continues to roll out its Prosecco Bar & Caffè concept around the world with the opening of a new canal-side venue at the Arena Birmingham boardwalk.

The opening marks Birmingham's second Bottega Prosecco Bar, it opened its first at Birmingham Airport in March 2018. The bar won the Airport Bar of the Year award at the Drinks International Travel Retail Awards 2018.

The concept bar brings the atmosphere and ambiance of a Venetian Bacaro bar to the international traveller.

Deeply rooted in the Italian tradition of fine wine and food, Bottega Prosecco Bar offers a broad selection of drinks, along with traditional specialties, to be enjoyed all day in a relaxed environment.

The format made its debut on-board the Viking Line 'Cinderella' cruise ship



Birmingham Airport's award-winning Bottega Prosecco Bar

in 2014. Bottega has since opened 16 variations of the popular concept in locations around the globe, including the Seychelles, South Korea, Gibraltar, Bulgaria, Oman and Tanzania. Five more venues are announced to open in 2019 in Dubai, Abu Dhabi, Italy and Malaysia.

The new downtown bar has been opened in collaboration with local food operator Charlie's. Charlie's founder Evelyn Armstrong said: "Originally

intended as airport bars, Bottega Prosecco Bars can be adapted to any environment, such as city centres, high street and evening consumer sites."

Bottega Spa managing director Sandro Bottega said he was "very happy" about the concept's success. "It reflects the core values of Bottega and aims to promote and enhance the reputation of Italy in the oenological and gastronomic fields," he added.