

Mars ITR provides a lesson in conversion and cross-category growth



Featuring an optimized cross-category portfolio, travelers can find a new queue system and manned transaction zone at T2

Leading up to the release of our March Food and Confectionery Report, *Global Travel Retail Magazine* sat down with Marcus Hudson, Sales Director at Mars Wrigley International Travel Retail (MWITR), to learn about its agenda for this year and the launching of its transaction zone concept in partnership with Aer Rianta International (ARI). At Dublin Airport Terminal 1 and 2, passengers can find a new queue system and manned transaction zone including an optimized cross-category portfolio.

During the interview, Hudson referred to the “perseverance” that MWITR exhibited in 2023 - a more challenging year than expected for both the company and the category. He said the team kicked off 2024 with the same acceleration as last year, but with a heavy mindset on execution. Experiencing growing support for what it wants to deliver in the channel, MWITR is ready to perform at the highest level. According to Hudson, it’s nice to have a game plan and now it’s time to win the match.

Wanting to refresh its strategy in November 2022 and find ways to increase conversion, MWITR took note of the domestic market and started to examine the moment of purchase and the act of checking out. Hudson explained the stress level of a consumer is known to rise considerably at this time -

especially in the case of self-checkout - which often causes the person to look for a way to self-reward on impulse. The same type of consumption such as a well-deserved treat could serve a different purpose including to recharge or to remind. He pointed out that “to remind” is particularly relevant in an airport setting where travelers are inclined to purchase gifts or essentials like a portable charger or bottle of water.

“We knew that these impulse moments existed and we knew that the recharge, reward, remind strategy really plays out, so it was about bringing these two together with a strategic intent and a vision on what we could execute to enable this conversion moment cross-category, not only within confectionery. One thing that we sometimes forget because we’re working with such well-known brands is that every time we convert one extra consumer that wasn’t thinking about purchasing our product it’s a victory,” said Hudson.



Marcus Hudson, Sales Director, Mars Wrigley International Travel Retail

Working hand in hand

A relatively untested concept in travel retail, MWITR recognized that the implementation of its transaction zone relied on full collaboration, since retailers have a greater understanding of the traveling consumer. The company teamed up with ARI to help build its story and benefitted from the retailer's open-mindedness. The two aligned on the "power categories" of the zone and then modeled its execution around those and the needs of the consumer. Commenting on the process and partnership, Hudson shared that based on feedback from ARI, MWITR returned to the drawing board to figure out how to integrate the need for shopping bags into the space.

"What we didn't want to do is force fit a domestic transaction zone into an airport environment; but in order to not do that, we needed to work with a retailer to find out what categories need to be reflected and how. Then, we worked together on what it might look like and what flow we believe is best," he said.

When asked how the design of the transaction zone varied between T1 and T2 at the airport, Hudson said each one required a different approach in order to remain contextually relevant per store. Compared to the zone at the store in T1, which combines confectionery and spirits - and is experiencing a significant uptick in gifting as expected - passengers will see a more traditional confectionery portfolio on display in T2.

In the first four weeks of opening the zone at the store in T2, the growth of the items offered increased 50 percentage points faster than the category. The company has already started discussing how the concept could be incorporated into the perfumes and cosmetics space where the opportunity to convert also exists.

On a global scale

Although Hudson admitted that the team entered the market prematurely, without the clarity of what the concept could deliver overall, he said MWITR will keep this in mind for the future. Alongside MWITR's responsibility to grow the "total category pie," a cross-category solution is key to the longevity of its transaction zone strategy. The company needs to be thinking globally in order for the strategy to be a success and reach its potential.

"We need to adapt the concept to the channel, but at the same time what we do in the channel needs to be integrated into what we do globally and adapted to local consumer requirements," explained Hudson. "It's a lot of work, but we have a strict process that we go through to build the transaction zone concept per location."

The launch at Dublin Airport, which coincided with the upgrading of transaction zones at stores in Larnaca, Cyprus, is the first of many that will take place this year worldwide. Working with its partners across the globe, Hudson said MWITR seeks to turn the traditional point-of-sale into a revenue generator for travel retailers, supporting a category conversion growth of over 20% in the coming years

Check out a video clip from the interview [here](#).