

Duty Free Dynamics unveils master plan



DFD's offices in Bicsa Panama

Duty Free Dynamics (DFD) has unveiled its master plan, which allows for the company's ongoing global expansion.

In early 2021 as the pandemic was well underway and DFD could clearly see the short- and medium-term outlook, company management decided on a plan to forge a path through the end of 2023.

The pillars of this plan are laid out here:

DFD's business model focuses on non-core product categories such as lifestyle and fashion accessories including watches, handbags, small leather goods, sunglasses, writing instruments, footwear, apparel, outdoor, toys, electronics and vitamins. The decision to focus on these items was based on the belief that these categories were being either under-exploited or not exploited at all within the channel.

The company will continue to develop the brand lineup within these active categories, incorporate new brands and gradually move into the core categories, starting with fragrance and cosmetics.



When the company was founded in 2015 there were five people in total. DFD now has 60 employees
In 2015 at the company's founding, its business was in LATAM and the Caribbean, later including

North America. The new master plan incorporates the initiation of a global expansion process, while continuing to consolidate business throughout the Americas. DFD expects to debut in EMEA at the beginning of 2022 from its new office in Barcelona, expanding to APAC in 2023. According to the company, this will be accomplished utilizing DFD's global operational infrastructure and its proprietary technological tools.

Finally, DFD will redirect its business model. Going forward, DFD will be re-positioning itself as a commercializer of retail concepts: turn-key business models for brands that would be sustainable within a mono-brand retail environment.

This will be done primarily through associations with its most solid existing business partners who will be given priority as such, and complemented with new ones, subject to satisfactory knowledge, experience and resources necessary for the long-term sustainability of this specific business model. DFD will have a much more active role in the formulation of this new business concept. For this purpose, it has already begun to establish different types of joint ventures with its partners.



DFD CEO Nicolas Dobry says we can expect consistent exciting news from the company

Nicolas Dobry, DFD's CEO commented: "I am so very proud of our Company's progress ever since inception seven years ago. I remember when we started our operations, it was only five of us, myself included; presently, our global headcount is up to 60 associates.

"The effects of the pandemic accentuated even more [our brands' need for] a partner like DFD. ... Many of the global and regional operators decided to apply the 'Pareto Principle,' creating a willingness among operators to streamline their focus on core categories. The non-core categories are the traffic drivers in their stores and most of them offer the greatest opportunity for growth. In this context, they realized that a partner like DFD would be like hand and glove because it would allow them to obtain the benefits of the Pareto strategy without the side effects.

"It's been proven that the mono-brand models in Travel Retail significantly increase customer engagement, consequently leading to a high increment in sales conversion levels. In function of this, at DFD, we decided to re-position our DNA, shifting from being a wholesale distributor of products, to become a turn-key commercializer of global brand concepts where, paradoxically, the product itself remains in an almost secondary role.

“This new format was very well received by the market. We can anticipate that you will be consistently getting exciting news from us.

“Duty Free Dynamics is looking to assume a much more relevant role in the TR value chain. I am convinced that we have everything we would need to accomplish it, especially our human factor, our most important asset, no doubt!”