

Pernod Ricard GTR takes digitalization to the next level



Pernod Ricard Global Travel Retail (PR GTR) is using a consumer-centric approach to data and digitalization to prepare for the future of travel retail

At the inaugural Moodie Davitt Virtual Travel Retail Expo Anuj Roy, PR GTR Strategy & Insights director, discussed how PR GTR is “staying ahead of the curve” to prepare for the future of travel retail amidst the global pandemic. Roy revealed that by staying true to its core business model and using a consumer-centric approach, the group is able to map the industry’s recovery and establish a closer connection to the traveler. Drawing on multiple data sources and creating both productions and solutions aligned with evolving expectations, the team is taking digitalization to the next level.

PR GTR's research involves over 10,000 travelers across nine nationalities worldwide and uses social media monitoring to track recovery, including monitoring the status of the virus, the levels of lockdown and mobility in the domestic market, as well as airline capacity, bookings and passenger traffic.

Although consumer confidence in travel has shown signs of recovery in recent months, the global pandemic has had a profound effect on the global travel industry. As a new way of life around COVID-19 sets in for many people, the fast-changing nature of the pandemic presents continued uncertainty.

Despite ongoing changes to national restrictions and traveler behaviors, PR GTR remains strongly optimistic. “We believe in the transformational power of travel. It fulfils an intrinsic human urge to get out, connect and explore the world. International travel will rebound and with it, travel retail,” said Roy.

PR GTR is predicting a major transformation within the travel retail space, driven by the rapid

adoption of digital during the pandemic. This was the topic of a panel discussion hosted by PR GTR at the Moodie Davitt Virtual Travel Retail Expo. Craig Johnson, VP of marketing, PR GTR, was joined by key industry leaders, Cameron Worth, founder of SharpEnd, Mudit Jaju, global e-commerce head at Wavemaker, and Charlie Merrells, head of strategy at Molzi and former head buyer BWS Amazon UK, in a panel moderated by Doug Newhouse, retail editor at Drinks Intel, to discuss the digitalization of travel retail and the opportunities it represents for the sector.

Duty Free e-commerce on the rise

As a result of the pandemic, consumer awareness of e-commerce in duty free is emerging, accelerated by consumers having to embrace online shopping in a way they never have before. As noted by Merrells, educating consumers about online services and making these services as accessible as possible, will be essential for travel retail brands to make an impact in the future.

“Right now, it’s important to get back to basics and offer travelers a compelling reason to purchase products within the channel. There are huge opportunities to provide convenient offers and convenience is critical when you talk about the e-commerce journey. Education around services such as click & collect and making these transactions as frictionless as possible will be key to reaching consumers at various pick up points along the traveller journey,” he shared.

Contributing to the discussion, Jaju believes e-commerce will become more omni-channel. “We’re consuming more media than ever before and one of the outcomes of this is the purchase journey becoming more omni-channel. We’ve already seen, particularly in some markets in Asia over the past few years, the evolution of social platforms into e-commerce channels. Facebook, Snapchat, and even Pinterest are starting to become meaningful front ends. Brands now have this unprecedented opportunity to bring themselves to life on digital platforms, and the platforms are really leaning in,” he added.

Digital solutions to combat physical problems

A key challenge addressed was how to engage consumers when they are hesitant to handle product in duty free. PR GTR consumer data reveals that of those feeling less confident about shopping in duty free, 66% fear touching or picking up items that have been handled by other people. However, according to Johnson, people will want to go in-store and connect with brand ambassadors to experience human interaction again at some point.

“Whether it’s through digitalization, by way of connected bottles for spirits or through other unique digital touchpoints in order to provide consumers with that wealth of data, brands need to be creative in how they get consumers to engage with product once more,” echoed Worth.



Designed as a digital touchpoint to provide travelers with an engaging brand experience and activated by motion sensors, PR GTR's new Martell Perfect Door offers travelers access to the world of Martell via product details and brand heritage

Physical experience meets online interaction

While all panellists agreed retail theatre remains essential, Johnson explained the need for these spaces to become more engaging, revealing a preview of upcoming store innovations. PR GTR is exploring one example of these innovations through its new Martell Perfect Door. A GTR-specific feature, the Perfect Door is an experience wall that has been designed as a digital touchpoint providing travelers with an engaging brand experience. Activated by motion sensors, travellers will have access to the world of Martell via product details and brand heritage, all of which can be initiated using touchless technology.

"The Martell Perfect Door is just one of the ways we're looking to enhance the in-person experiences that travelers will have as they move through the airport. We're conscious that when traveling, people may be trying to cut down on the number of interactions they're having. The concept of the experience wall realizes that and aims to provide the traveler with the information they need, while still having a shopping experience that feels as comfortable as possible," explained Johnson.



A world first for duty free: PR GTR's new conceptual bar space is equipped with a robot bartender that will allow brand consultants to better understand traveler needs and suggest products accordingly

World's first robotic airport bar in duty free

Johnson also revealed details about a world first for duty free: PR GTR's new conceptual bar space equipped with a robot bartender. To be introduced into the channel soon, the space supports the group's vision for the future of retail, while addressing heightened expectations around hygienic and contact-free tastings with the AI bartender – the very first time a tasting robot will be used in travel retail. The robot bartender will enable brand consultants to better understand traveler needs and suggest products accordingly. It also meets consumer demand for greater sustainability in the channel: the space's branding can be changed instantaneously thanks to its digital screens, removing the need to produce additional POS assets.

Though industry re-growth may prove to be gradual, PR GTR is turning the disruption caused by the pandemic into an opportunity to steer the group in a new and unique direction underpinned by data and digitalization. With uncharted territory undoubtedly ahead, keeping open minds and open discussions across the sector will prove more important than ever.