

Video Clips: Maui Jim: “Every day we get a little stronger”

“I think the general theme seems to be that the whole travel industry, including aviation, hotels, restaurants, etc, will ideally be back to 2019 levels in three years” - Giles Marks, Director, Duty Free Sales, Maui Jim

Giles Marks has spent 17 years building up the travel retail operation of US-based sunglasses supplier Maui Jim from scratch. Now, after considerable success in this channel, the Toronto-based Director, Duty Free Sales finds himself in an extraordinary position, as COVID-19 throws all his plans up into the air.

“Business is very challenging and very uncertain,” says Marks, with remarkable honesty. “We’re obviously in a situation where it's very hard to organize and plan specifically when we are in a position where we are very much reactive instead of proactive.

“In today's marketplace, we are in a wait and see situation. That's what we're doing, we're in survival mode, we're a small company. Priorities in sequence are survival and the welfare of our employees. We've had to put many of them on furlough but I'm proud to say that we've brought many of them back into the workplace.”

On a global level, outside of travel retail, the company's business is showing some positive growth, which he describes as very encouraging, especially in areas that were particularly soft, such as Europe.

The China challenge

Marks adds that Asia has always been a bigger challenge in comparison to other regions due to the lack of brand awareness for Maui Jim, and the pandemic may reinforce this perception. “It doesn't mean we haven't had success,” he says. “Asia is a region that presents different challenges. A common point that comes back to me in the last 17 years of working in this channel and working in support of my colleagues in Asia is – specifically for PRC – that people will not buy what they don't understand. Now, with the post-COVID environment out there, the challenges for Maui Jim are greater than they were before. I feel that the Chinese are going to be a little more timid trying on a pair of sunglasses than they used to be for a brand they know very little about.”

But Marks is determined to continue to build the company and the sunglass category as a whole in travel retail. To this end, he is involved in a Zoom meeting with other sunglass suppliers, organized by design agency FILTR, to discuss the way forward. For many years, Maui Jim has been a key player in the annual Sunglasses Workshop and Awards, held during the TFWA World Exhibition in Cannes to recognize excellence in sunglasses retail.

As the crisis evolves, Maui Jim aims to work in partnership with its retailers to ensure that travelers are comfortable with trying on sunglasses before they make a purchase.

In domestic markets, Maui Jim is ensuring that its products are as clean and safe as possible. It is sanitizing products after each use, and using POS signage to reinforce to the consumer that they should feel very comfortable when trying on a pair of Maui Jims.

Maui Jim is a small, monobrand private company so the internal dynamics are very different from the

multinational groups that dominate the sunglass category, notes Marks. When the pandemic struck, its priority was the safety of its employees and ensuring a workplace for them. The company had to furlough a certain percentage of its employees, but because of its global growth outside of travel retail, it has been able to bring those employees back into the offices.

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A learning curve

Because company expenses are coming under a microscope, Maui Jim will continue to look at investing in travel retail and other channels of business much more closely than it has in the past. “We understand the importance of investing in the business. This comes from Walter Hester, the owner of Maui Jim. He’s been sending directives to the whole company in the last few months, reinforcing, encouraging and endorsing the future and the growth of Maui Jim.”

How will the sunglass category emerge from the crisis in comparison to other categories? Marks believes that the core categories such as beauty, alcohol and tobacco are in a position to emerge the quickest, as they create the highest revenue stream. “I think the challenge for the sunglass category will be potentially we may lose very valuable airport retail estate to other [core] categories as retailers scramble to re-establish cash flow.”

Looking to the immediate future, Marks is optimistic and believes the company is in a much better position now compared to where it was in the middle of May. “I’m privileged that the company I work for is very transparent with the global sales. I see the growth in all our international subsidiaries. Travel retail is by far one of the slowest to recover. I feel very confident that we have full support from finance, management and ownership, they understand the dynamic of the channel of business that I’m responsible for with my team. We’ll remain patient and supportive as we get through this crisis together.”

He concludes: “I have been working with this company for 22 years, I’ve never experienced anything of this magnitude. Every day is a new day, a learning curve, and every day we get a little stronger. It doesn’t mean there aren’t more curve balls ahead of us. Let’s hope we don’t have a relapse of this virus, it would be a huge setback for all of us beyond the business world. A vaccine would put most of the population at ease. I’m confident about the future.”