

# Dufry's Enrique Urioste vows to deliver 'best travel experience practices'

This is a special feature from *Global Travel Retail Magazine's* 2023 Summit of the Americas issue.



Enrique Urioste, Dufry President and CEO, Latin America

For Enrique Urioste, new [Dufry](#) President and CEO, Latin America (LATAM), the recovery of the industry in LATAM could not have come at a better time.

Urioste is part of the global travel retail superpower's new 10-strong Global Executive Committee led by CEO Xavier Rossinyol. He is charged with the task of leading the implementation of the company's Destination 2027 strategy in Latin America and the Caribbean. The aim of the company-wide strategy is to enhance passengers' experience during their entire journey.

He tells *Global Travel Retail Magazine*, "My main responsibility will be to deliver the best retail practices by focusing on customer centricity, thereby allowing our operations to maximize organic growth. I must also look for new business opportunities."



Last year, Dufry signed a new concession contract at Recife International Airport in Brazil where this combined Dufry and Hudson store is located

Currently living in Miami where he has resided since 2007, the well-respected Urioste adds, “Other key points will be to introduce food and beverage [across the industry] in the region and create synergies across duty free, duty paid and food and beverage. All this needs to be achieved while ensuring our key values such as Environmental, Social and Governance engagement are implemented across all our operations.”





A Dufry-operated Rumbar concept at Las Americas International Airport in Santo Domingo, Dominican Republic

### **LATAM recovery**

On the recovery in LATAM, it clearly seems to be gathering pace. Dufry boasts a strong presence across the region in countries such as Brazil, Argentina, Colombia and Ecuador and is reaping the rewards.

Dufry said that the rebound in The Americas at the beginning of 2022 was mainly driven by a continuous increase in domestic flights in the US and intra-regional touristic travel to Mexico, Central America, the Caribbean Islands and the Dominican Republic.



Dufry Group is strongly represented at Guarulhos International Airport in São Paulo, where it runs a Mind.Body.Soul. shop-in-shop concept

Transatlantic travel and South American destinations began trending upwards, especially in Argentina, Colombia and Ecuador in the third quarter. The wider region has also followed more recently.

Benefitting from more favorable travel environments, the Americas performed strongly for Dufry last year. According to the company's 2022 Annual Report, which was released in March, the Americas reported a turnover of CHF2,918.3 million (US\$3,183.8 million) versus CHF1,728.5 million (US\$1,885.7 million) the previous year. This equates to an organic growth of 62.7% versus 2021.

The company's South American locations made significant progress in 2022, particularly in Mexico, where Dufry signed a new concession contract at Felipe Ángeles International Airport in Santa Lucia. Operations in Dominican Republic and Argentina also performed particularly well.

Elsewhere, the retailer, which is engaging with LATAM airports on combined travel retail and food and beverage offerings, signed a new concession contract at Recife International Airport in Brazil.





Los Cabos International Airport in Mexico boasts an impressive Dufry perfumes and cosmetics offer

Urioste, who describes the recovery as 'solid' remarks, "LATAM and the Caribbean have always been very strong for the duty free industry, therefore our key focus is to continue growing and expanding through the different channels. Some countries have already achieved full recovery and others are on the right track."

In terms of overall business, the Caribbean and Mexico, for example, have benefitted from strong US and Canadian traffic. "Other countries like Argentina have been positively impacted by different economic factors," he says, "but in all cases, we are benefitting from excellent retail prices, good stock quantities and fantastic promotions."

People also seem to be in a more indulgent mode post-pandemic, according to Urioste. "They are more open to buying and [open] to different experiences. The training programs and special actions we implemented across the region played a key role and generated the expected results."

### **High air ticket prices**

Amid the apparent positivity, it is important to point out that the region is still missing some of its pre-COVID-19 routes. The cost of air tickets and availability of connections remain a concern.

"Prices of hotels and car rentals are another challenge. These cost increases compete with the disposable income customers must spend in our shops. This is why it is key for us to continue providing an excellent customer experience."

Excitement may be building over the prospects of the LATAM duty free and travel retail industry, but it is also ramping up ahead of the upcoming Asociación Sudamericana de Tiendas Libres (ASUTIL) Conference in Buenos Aires, running June 7 to 8.

Registration is open for ASUTIL 2023, which takes place at the Hilton Hotel in Puerto Madero. ASUTIL is returning as a face-to-face event for the first time since 2017.



Wine connoisseurs will no doubt find what they are looking for at this Decanted hybrid wine shop at Dallas Fort Worth International Airport

Beginning on Wednesday, June 7 with three conference sessions between 09:00 and 12:30, the first day will include a lunch, networking session and cocktail night at the Hilton sponsored by Colonia Express.

Day two (Thursday, June 8), will begin with a networking session in the morning, followed by lunch. In the afternoon there will be four conference sessions between 14:30 and 18:30.

The conference will close with a Gala Dinner and party sponsored by Interbaires and on Friday, June 9, attendees can take part in a full day of social activities and excursions, also sponsored by Colonia Express.

Urioste, who also holds the role of ASUTIL Vice-President, will be part of a strong speaker line-up in Buenos Aires. He comments, "ASUTL was born with a very specific mission to promote and protect the duty free industry. Since it was created, we have integrated all types of channels (airport, ferry and border) and suppliers.

"We provide economic and political reports to our members on a regular basis to help them better understand the region. In addition, we have a proven track record of very successful lobbying campaigns."