



Santiago Llairó JT International

New ideas in tobacco display spark sales

JTI continues its drive to become the world's number one tobacco company, says Santiago Llairó, Corporate Affairs & Communication, Worldwide Duty-Free Director, JTI. In 2011 the Smoking Lounge programme will continue apace and Limited Editions will be launched for top brands Winston, Camel and Mild Seven.

How did JTI perform in the travel retail channel in the last year? What are the expectations for 2011?

The first half of 2010 was challenging but travel and sales figures recovered in the latter part of the year. Even if we felt the crisis, these times have also brought some good business opportunities. We performed best last year in Asia, mainly because this region had been less affected by the turmoil. 2011 looks promising but we are conscious that that the industry could still be vulnerable to unforeseen events. We remain confident and focused on achieving our objectives, which include the expansion of our category management solution and, of course, the Limited Editions of our flagship brands Winston, Camel and Mild Seven, planned for this year.

In recent years there have been efforts to reinforce the leading brands - Winston, Camel, Silk Cut and Benson & Hedges – what have been the results of this in travel retail operations?

The travel retail environment offers unique opportunities to reinforce the international status of our established global flagship brands such as Winston, Camel and Mild Seven. These are JTI's top 3 brands in travel retail and they all showed significant growth despite the crisis that affected the industry.

Do you have any other new brands that will affect the travel retail channel?

We are planning a couple of new Limited Editions of our global flagship brands – Winston, Camel and Mild Seven – that will be launched in travel retail during this year. We will continue building on our acclaimed Smoking Lounge programme, focusing on taking even further the level of comfort, design and utilities that we offer to the smoking travellers in the Smoking Lounges. Key regions for these new developments are Eastern Europe and the Middle East.



The high profile of tobacco at The Nuance Group's new-look Geneva Airport store giving tobacco real prominence has been considered successful. How will other similar projects such as one with Schiphol Airport Retail at Amsterdam, underline the strength of the approach?

Retailers in Geneva and Amsterdam airports have already successfully developed a way to make the category and the presentation of the products clearer and more convenient for the consumer. In Geneva Airport, The Nuance Group's store features tobacco properly, and Schiphol Airport Retail has done the same in Amsterdam Lounge 2. These developments help show adult consumers the value and choice that is on offer in tobacco in the shops and help drive sales to other duty-free products. In both of those European locations we have seen very positive revenue and performance numbers. Revenues in these stores have increased, and the positive effect on the sales of other product categories has been evident and significant.

JTI is also seen to be building on its acclaimed Smoking Lounge programme. Please can you give us an update on this?

JTI's leadership in building smoking facilities in the airports worldwide is undisputed. We are working to bring the smoking lounges to the next level of comfort, design and utilities, and also to expand the geographic spread. Indeed, this year we will build more than 20 smoking lounges in key airports in Eastern Europe and

the Middle East – and we are proud to say that we will reach the record number of 300 smoking facilities opened in 20 airports around the world!

Company results have mentioned Russia, Italy, Taiwan and Turkey as growth countries for JTI – does that mean growth in travel retail in those countries? Do you have more work to do to build recognition of the JTI brands worldwide, and if so, where?

The growth in travel retail does not necessarily match the growth in domestic markets but in the mentioned markets we indeed had growth both in domestic and travel retail. Taiwan is JTI's No. 1 market in travel retail; other markets where we had good performances are France and Spain. **DM**

PERSONAL FILE

Born Barcelona, Spain

Lives today Geneva, Switzerland

Drives Volvo

Gadget of choice iPhone

Favourite film Casablanca

Best part of the job The endless learning and the multi-cultural environment