



**Nestlé** Good food, Good life



# **DELIGHTING CONSUMERS ....IN CHANGING TIMES**

-

Stewart Dryburgh  
Nestlé International Travel Retail

-

Trinity Forum, Singapore  
Wednesday 2<sup>nd</sup> November 2022

## Economics



## Megatrends



## Opportunities



# Capital vs Labour.....



# Deng Xiaoping, Thatcher & Reagan



# The evolution of globalisation

**1978**  
Economic reforms in China

**1980s**  
Reaganomics and Thatcherism

**1989**  
Berlin wall falls

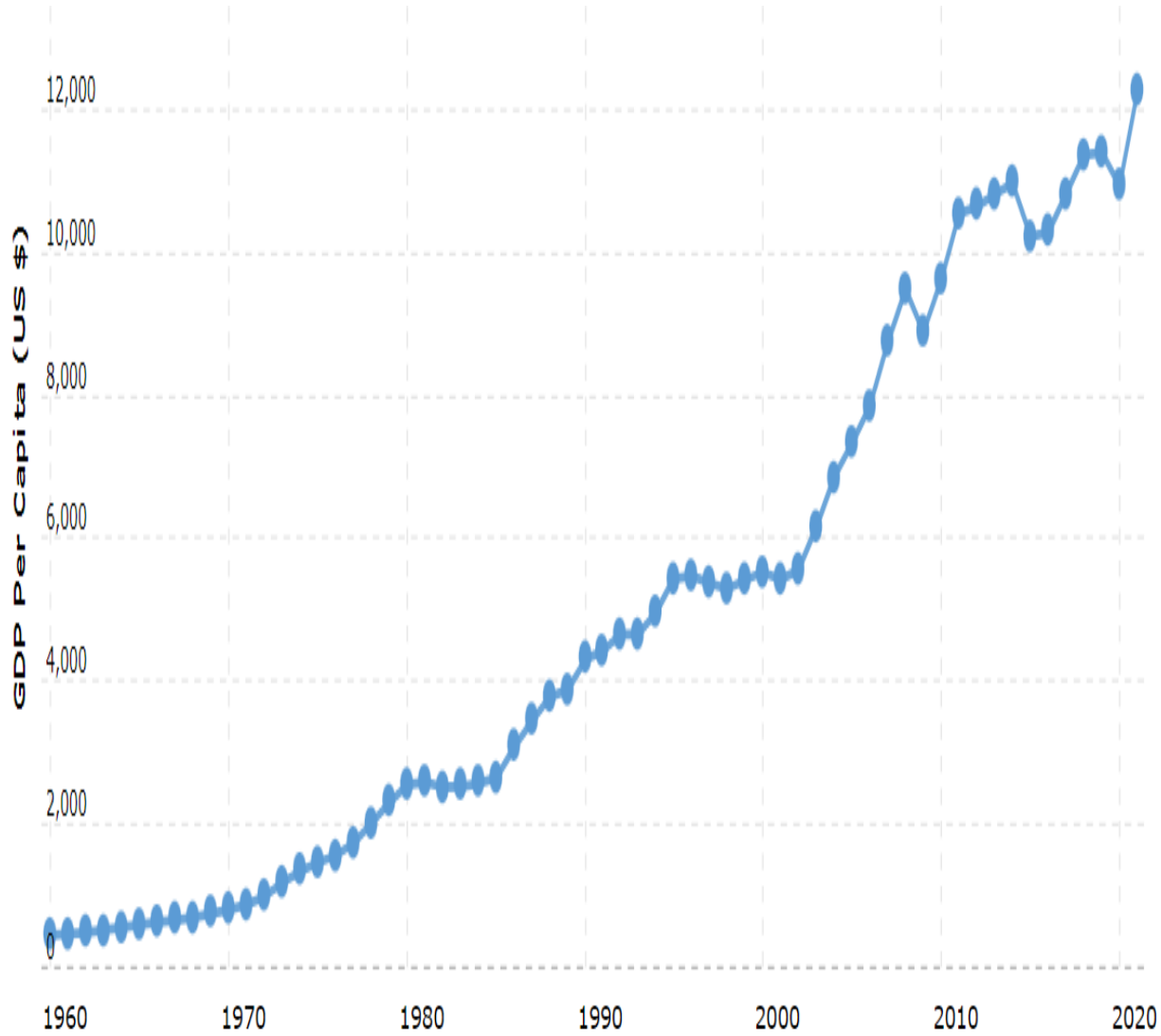
**1991**  
India's economic liberalisation

**1994**  
NAFTA agreement

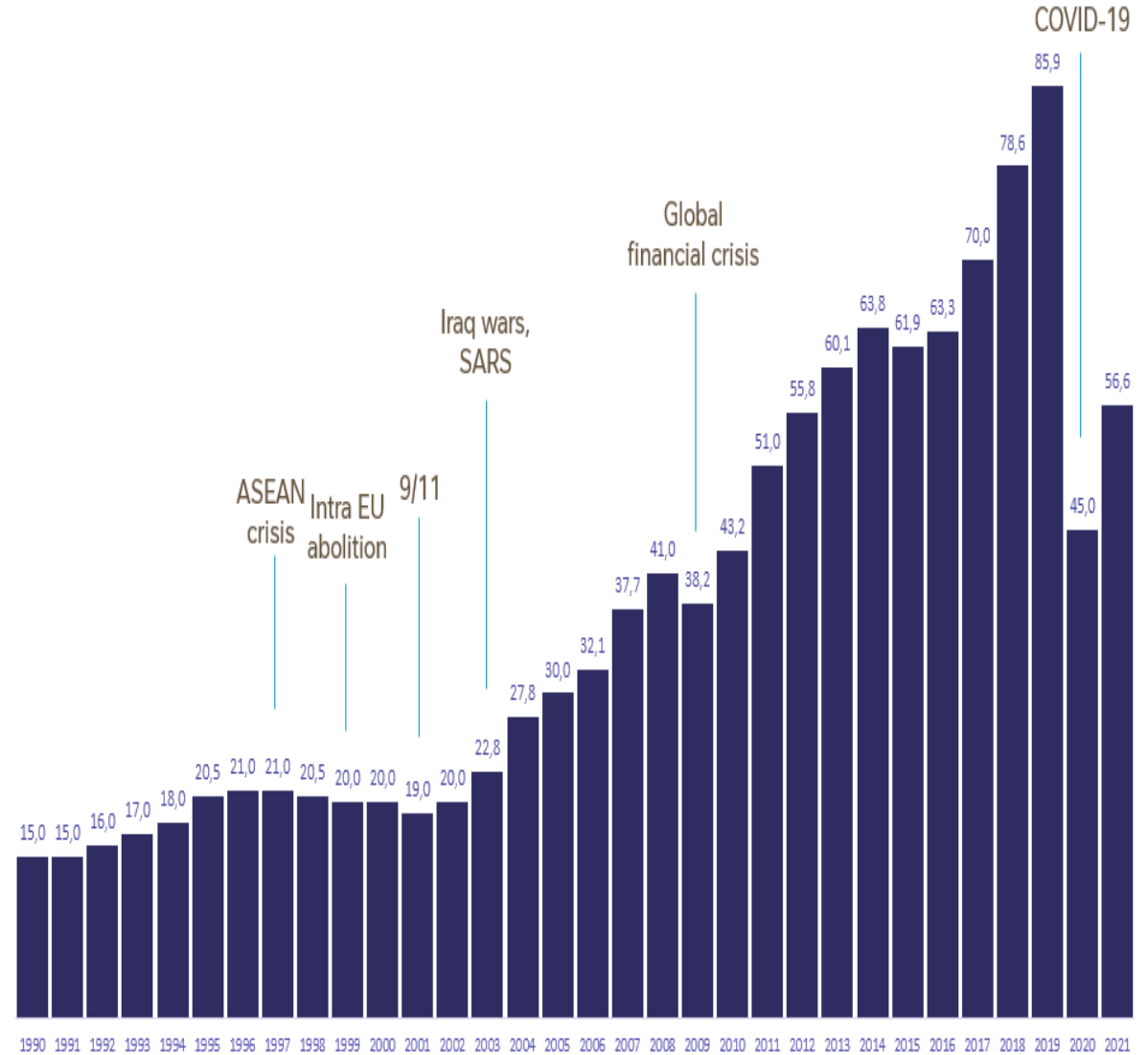
**1997**  
ASEAN crisis



# Global GDP/capita (1960-2021)



# Duty Free Sales (1990-2021)



# Global 'leveling up'

PRESS RELEASE | APRIL 1, 2022

## Lifting 800 Million People Out of Poverty – New Report Looks at Lessons from China’s Experience

**BEIJING, April 1, 2022**— Over the past 40 years, the number of people in China with incomes below \$1.90 per day – the International Poverty Line as defined by the World Bank to track global extreme poverty– has fallen by close to 800 million. With this, China has contributed close to three-quarters of the global reduction in the number of people living in extreme poverty. At China’s current national poverty line, the number of poor fell by 770 million over the same period.

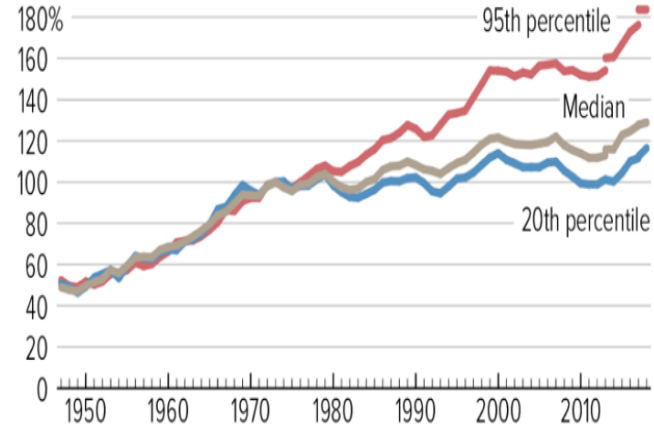
Around 2020, the middle class will become a majority of the global population for the first time ever.

UPPER CLASS  
**MIDDLE CLASS**  
 LOWER CLASS

BROOKINGS

### Income Gains Widely Shared in Early Postwar Decades – But Not Since Then

Real family income between 1947 and 2018, as a percentage of 1973 level



Note: Breaks indicate implementation of a redesigned questionnaire (2013) and an updated data processing system (2017).

Source: CBPP calculations based on U.S. Census Bureau Data



# Political & economic tides





# The world in a state of flux?

## Fastest Rise in Global Interest Rates for 30 Years

Fri 17 Jun, 2022 - 12:54 PM ET

**WORLD ECONOMIC OUTLOOK** UPDATE JULY 2022

**GLOOMY AND MORE UNCERTAIN**

PRESS RELEASE | JUNE 7, 2022

Stagflation Risk Rises Amid Sharp Slowdown in Growth

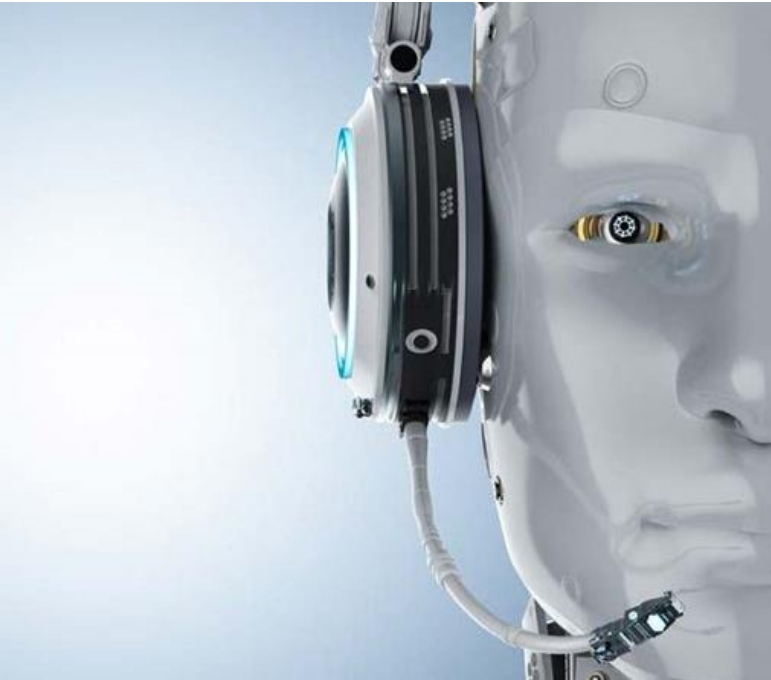


# Three global megatrends

Middle-class growth



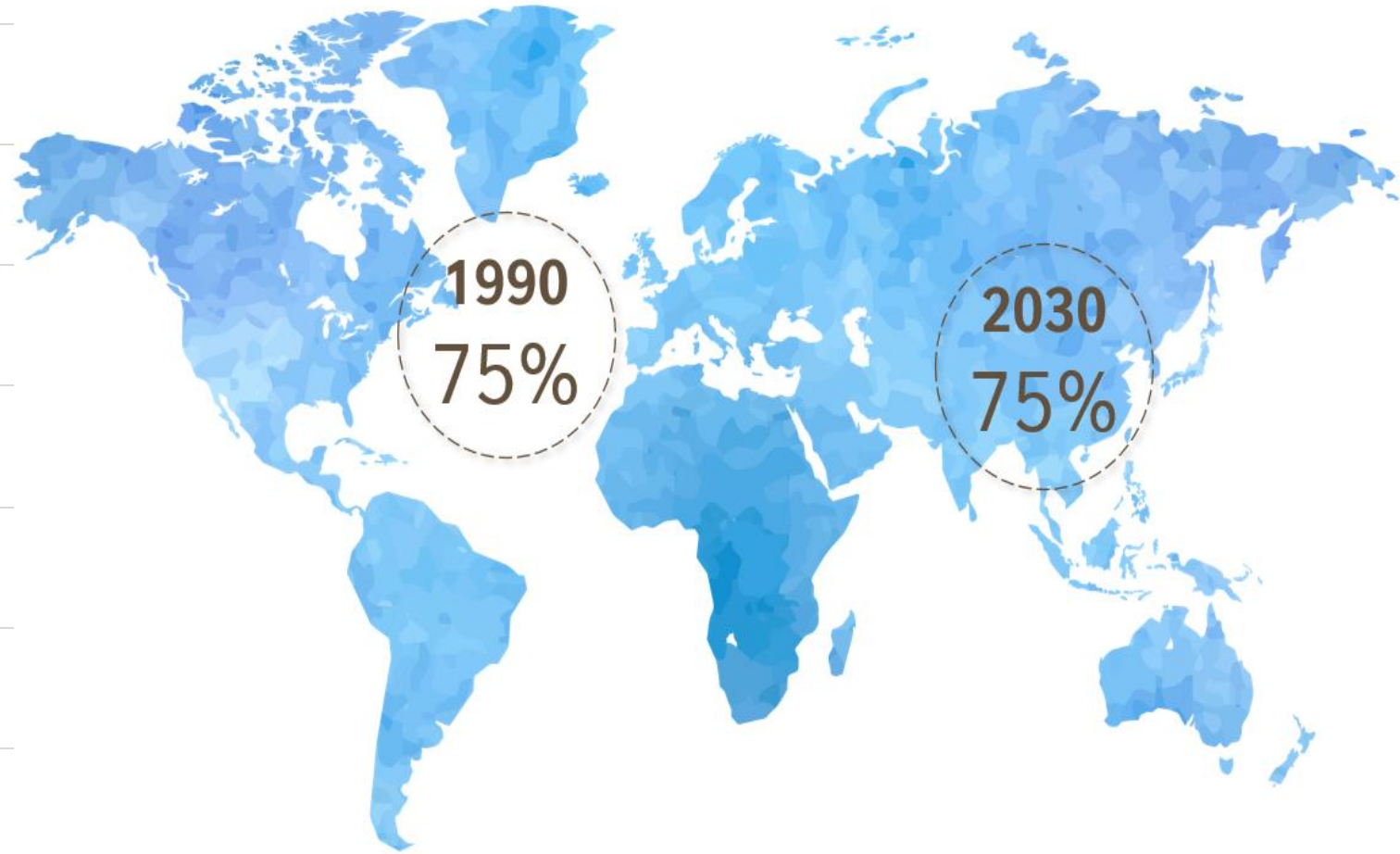
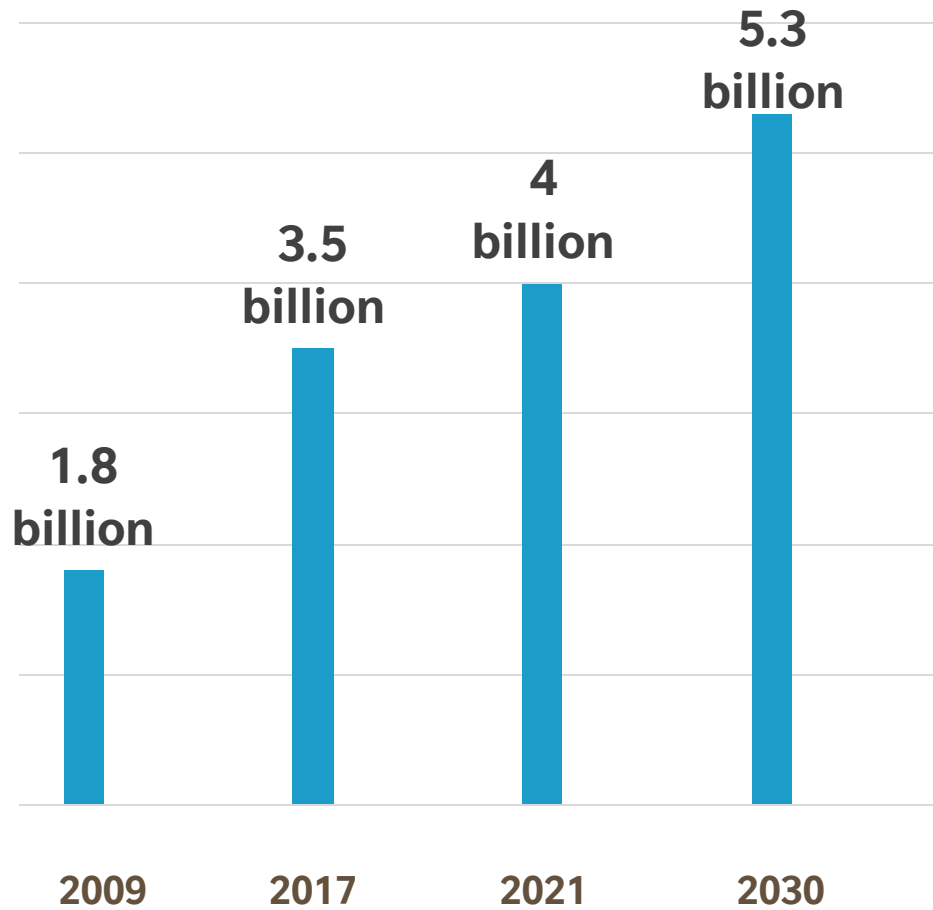
Technological progress



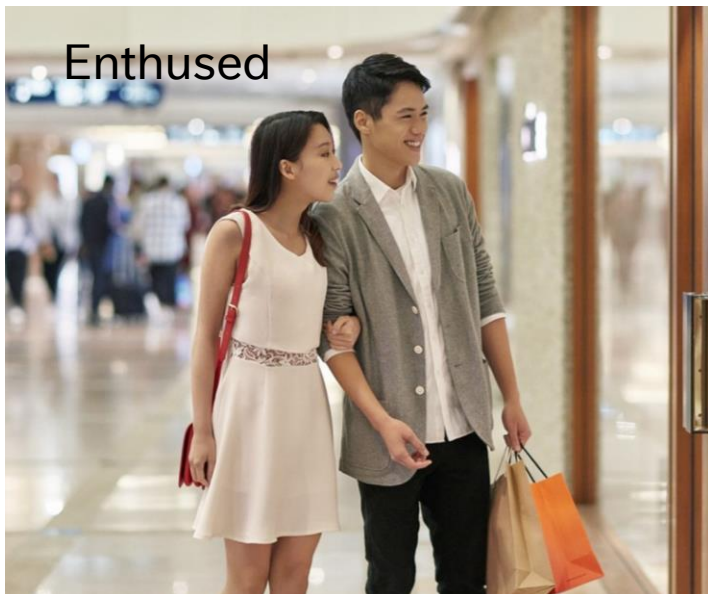
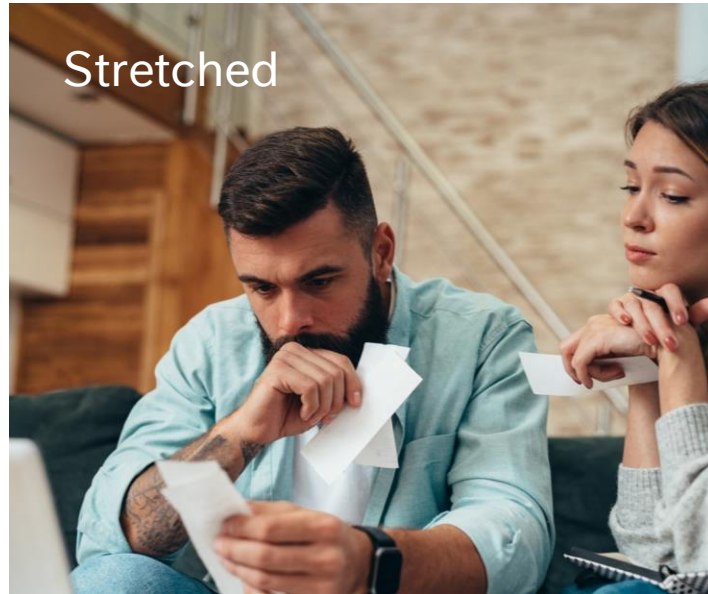
Climate change



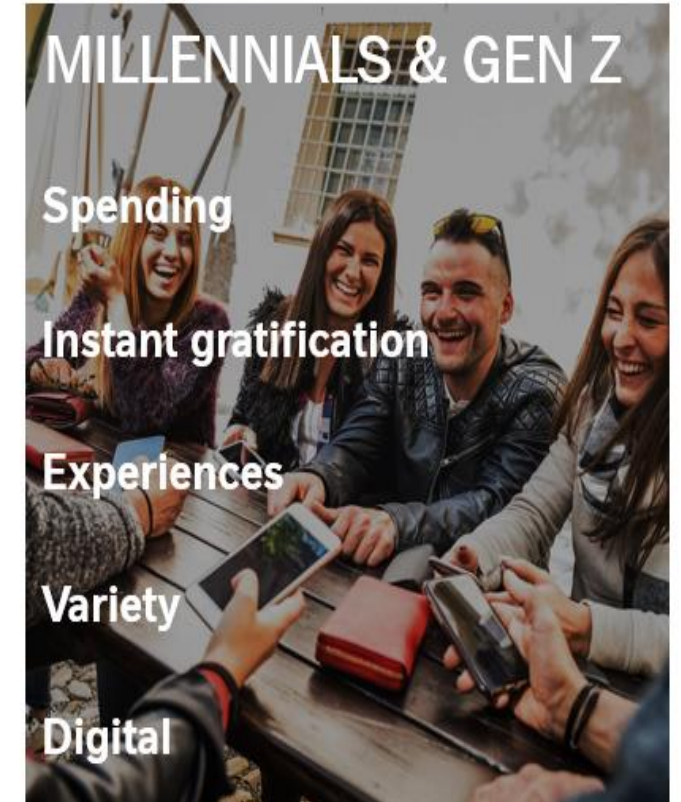
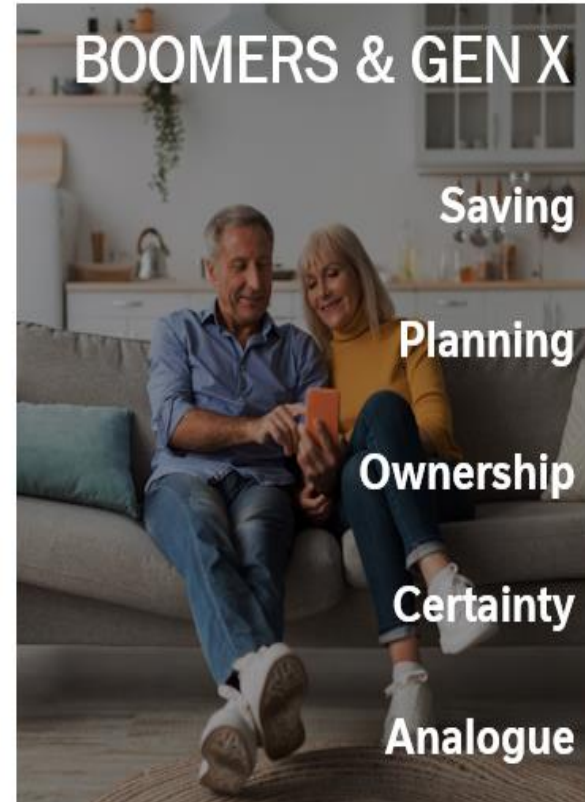
# Trend #1. Growth of the global middle-class



# Developed or Emerging



# Pre or Post Millennial



## Trend #2. Technological Progress



'I give money I don't have,  
to kids I don't like,  
to do things I don't understand.'



# Trend #2. Technological Development

Web 1.0

Web 2.0

Web 3.0

**The Moodie Report**  
October 2003  
LAUNCH ISSUE

Every number counts. [www.TheMoodieReport.com](http://www.TheMoodieReport.com)

### Yen maintains upward march against the dollar

The extraordinary rise of the Japanese Yen against the US dollar since mid-September is proving a major and unexpected boost for travel retailers in key overseas destinations.

At The Moodie Report went to press on 15 October, the Yen had maintained a nice three-year high against the US dollar, sitting at around \$109, having touched \$110 in recent days.

The Yen has strengthened against most of the currencies in the index (the Australian dollar is a notable exception), sharply boosting Japanese spending power to just the right time for the global travel retail trade, which has been hit by a painfully slow recovery in soft-bodied Japanese visitor numbers since the SARS crisis (see latest figures, page 13).

Hawaii retailers, who are heavily reliant on the Japanese spend, have welcomed the trend. In Hong Kong, where Japanese visitor numbers are above +43.1% to August year-on-year.

**Travel Retail Performance World 2002**

Share by Company	Other Companies
Emirates 1.9%	13.5%
Flag Group 2.0%	13.5%
Cherif Group 2.0%	13.5%
Wells Group 2.0%	13.5%
Luxair Group 2.0%	13.5%
Moonair 1.9%	13.5%
YAS 1.9%	13.5%
Wine & Diner 1.9%	13.5%
Chad Group 1.9%	13.5%
Emir 1.9%	13.5%
Emir 1.9%	13.5%

Up-dated 7 days a week  
[www.TheMoodieReport.com](http://www.TheMoodieReport.com)

The homepage of the travel retail industry

Please visit The Moodie Report team on the Generation stand in Cannes  
[Twitter @GeneD](http://twitter.com/GeneD)

**The Moodie Report**  
An exclusive e-Newsletter for the global duty free and travel retail industry.

Monday 16 September 2002 15:22:08 CET

Welcome to the first edition of the Moodie Report, a co-operation between Vogue's long-established duty free and travel retail research business Generation and London-based Moodie International, the company recently set up by long time Duty Free News International publisher Maria Moodie.

The Moodie Report is concise and on-the-spot Executive Intelligence sent to delivered regularly to your desk by e-mail (this first edition is larger because it serves Generation's 2002 members, in future we will limit it to just 2-3 pages). The Report features the latest intelligence on key business drivers such as currency fluctuations and tourism figures, plus comments on and analysis of major socio-political events with potential and possible impact on the travel retail business as well as a brief summary of the major stories to have broken in the industry.

Completely non-partisan, it will also guide you towards any new business intelligence reports, magazine or source that may add value to your business.

All editions will be archived within a special Moodie Report page, initially on the website at [www.generation.com](http://www.generation.com) and later on a dedicated web page.

In a historically uncertain and contract-driven industry, good business intelligence and commentary is in short supply. We hope The Moodie Report helps fill the gap.

In this edition:

- Generations Unleash 2002 Global Figures
- Issue of the Week: Travel Retail Brains Trust for War
- Distraction: Canadian Border First Half Figures
- DF's losses curbed: Much forgiven on long, global economic
- Highlights of the Industry News
- Currency Exchange - Cross Rates 13 September 2002 with weekly Outlook

Generation unveils 2001 GLOBAL FIGURES

The global duty free retail total business fell by 7% to US\$1 billion, in 2001, according to Generation's just-completed annual survey of the industry. A detailed breakdown of performance by channel, category and region is published in the 12th annual edition of their 'Q' Note, set next month.

These figures must be considered in the terrible context of the September 11 attacks in the USA and the resulting slump in passenger numbers and sales that followed. A devastating fall-off in traffic to and from North America began almost immediately afterwards. Japanese passenger numbers for so long the key driver of The Moodie Report is published in cooperation between Generation Group and Moodie International.

Please direct your news, opinions and comments to [marketmoodie@aol.com](mailto:marketmoodie@aol.com)

**The Moodie Davitt Report**

Delivering the world to you  
Travel Retail Intelligence by MDR - the expert of the industry

Home Brand News Buzz Items Regional Other Revenue Data Room Multimedia

DIWALI DESERVES Dewar's

CHOOSE THE WORLD'S MOST AWARDED BLENDED SCOTCH WHISKY THIS DIWALI

CHRISTCHURCH AIRPORT

Summer surge boosts Heathrow results but airport company warns of bumpy return to pre-pandemic demand

For the full year, Heathrow is forecasting 60-62 million passengers, around 25% behind 2019 levels. But the airport company says that it does not expect a swift return to previous traffic highs. [Read More](#)

Christchurch Airport shows its heart with Sunflower Lanyards and tribute to cleaners

Airports can be busy and confusing places at the best of times but for travellers with hidden disabilities they can be overwhelming. Take a close look at how this New Zealand hub is helping such passengers. [Read More](#)

BAHRAIN DUTY FREE

BUY YOUR TICKETS NOW!

Kansai International opens revamped domestic zone in first phase of ambitious expansion

TAV Airports upgrades full-year guidance and homes in Lagos Airport concession

SSP extends Swedish network with 18 new outlets at Stockholm Arlanda and Gothenburg airports

THE MEADFA CONFERENCE

40-50 HOUR COURSE THE ART HOTEL & RESORT

## Meta shares plummet alongside billion-dollar losses in metaverse division

Latest in a series of difficult quarterly earnings reports forced Mark Zuckerberg to defend his virtual reality project



# Trend #3. Climate Change

Earthrise, Apollo IX, 1968

Date: 24 June 2022

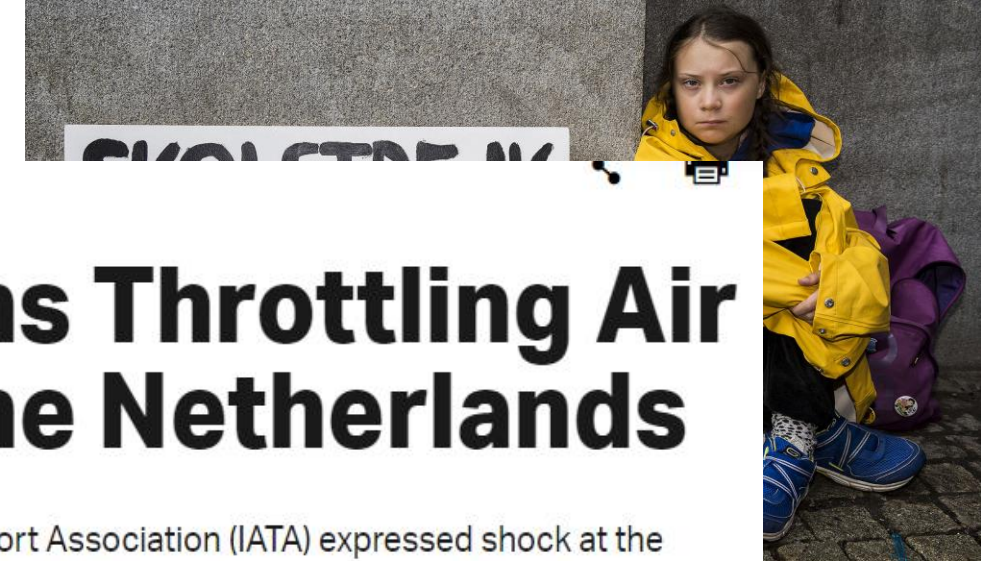
## Schiphol Flight Restrictions Throttling Air Connectivity Benefits in the Netherlands



Geneva - The International Air Transport Association (IATA) expressed shock at the announcement by the government of the Netherlands will cut the number of annual flights at Schiphol Airport to 440,000 – a 20% cut to Schiphol's potential cap.

"This sudden decision is a shocking blow to aviation, jobs, and the economy of the Netherlands. It comes on top of a tripling of the passenger tax, and a 37% rise in airport charges. We are seeing a throttling of air connectivity which has been steadily built up for 100 years, and supported large parts of the Dutch economy and the aspirations of millions of Dutch travelers," said Willie Walsh, IATA's Director General.

Time Magazine, Person of the Year, 2019





# TOP 10 GLOBAL CONSUMER TRENDS 2022





# Food is a key category...

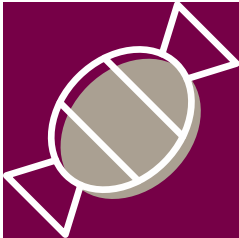
# with the highest consumer appeal...

# but significantly underexploited

# #2

## Most purchased category

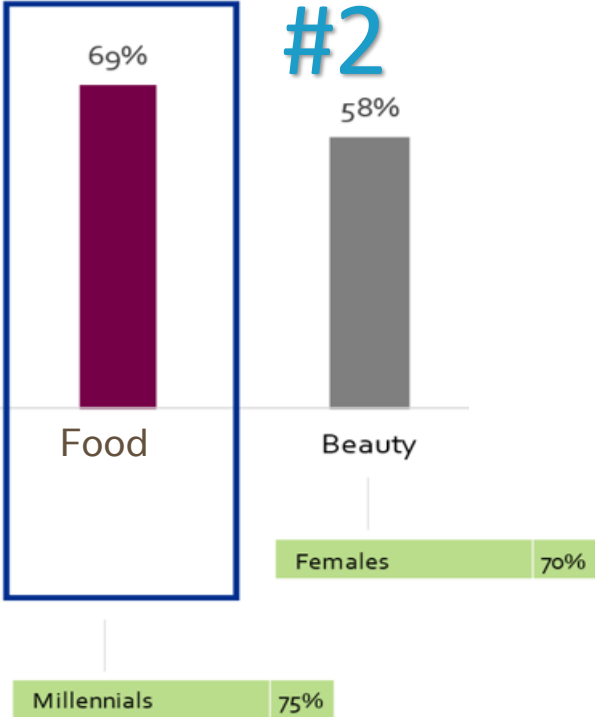
(Beauty 48%)



# 30%

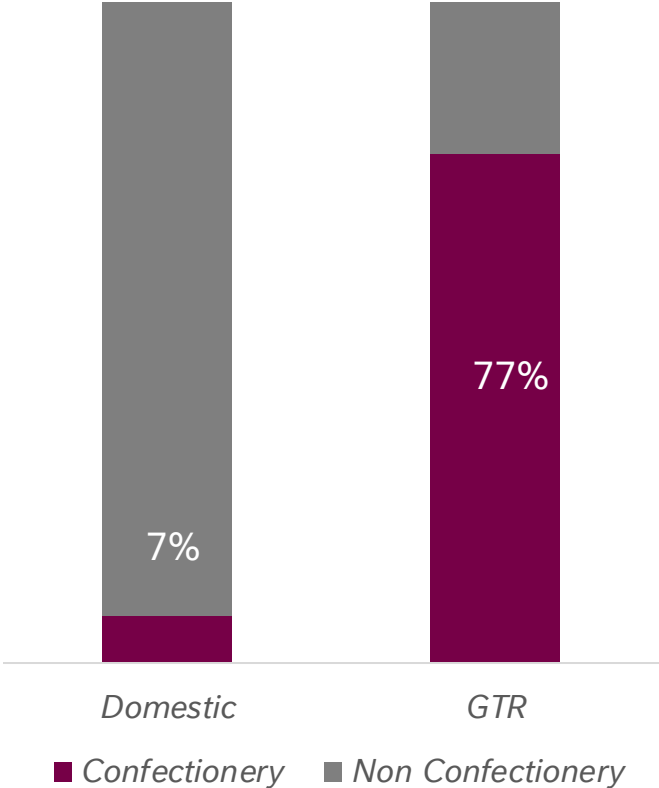
## of purchases include Food

# #1



# #2

### Confectionery as % of packaged food



# One key opportunity in Travel Retail



# Food #1

Building the most purchased category in travel retail

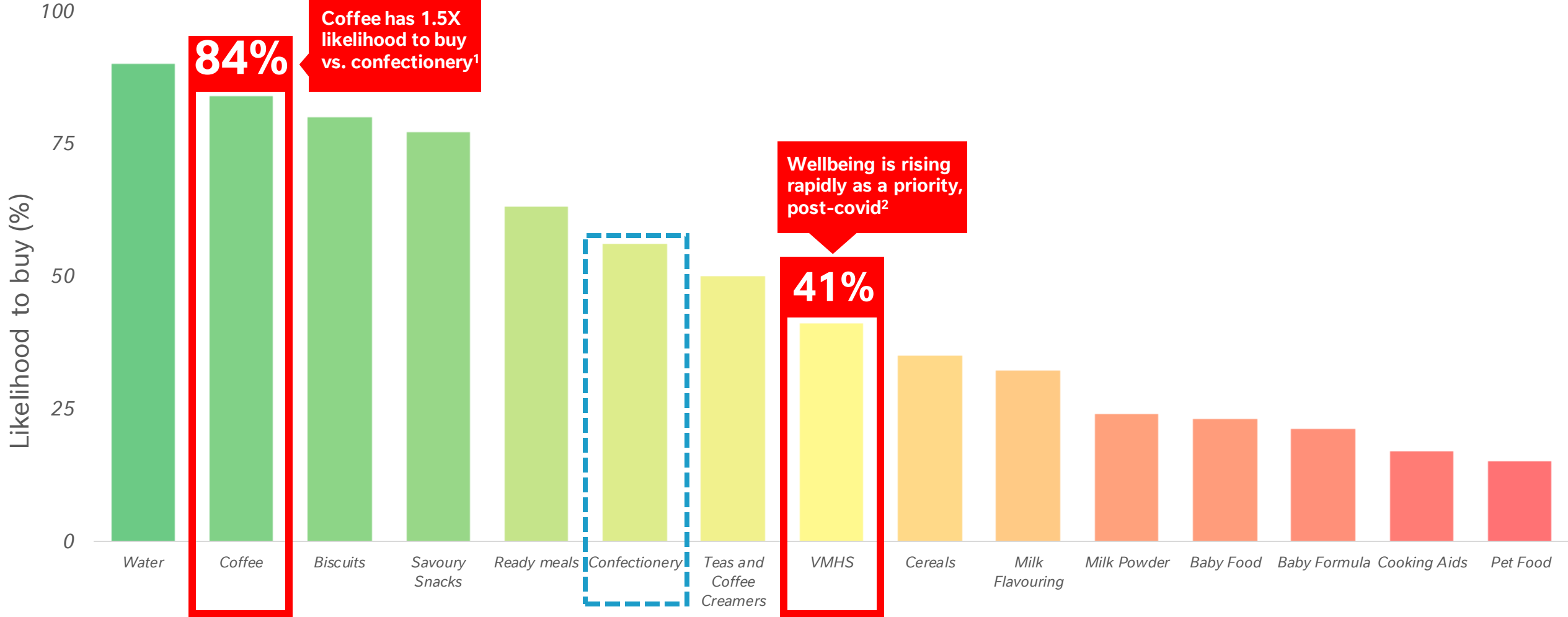
Unleash the potential of food with the **VERSE** model



Join us on our journey



# Value: Coffee and Wellbeing (VMHS) present new growth opportunities



# Value: Coffee and Wellbeing in execution



# Engagement: digital and physical

**Pre-trip**

Intrigue/Curiosity



**Airport**

Exclusivity/Opportunity



**During Trip**

Exclusivity/Opportunity



**On Route**



**In Store**

# Regeneration: to protect, renew and restore

re generation



# Sense of Place: Local foods and global brands



# Execution: Unleashing the potential of food





# Chinese character for 'listening'





**Nestlé** Good food, Good life



**DELIGHTING CONSUMERS  
...IN CHANGING TIMES**

-

**THANK YOU**