

# Ricola chief speaks out on Asia, Latin America travel retail opportunities

By **Mary Jane Pittilla** on July, 6 2018 | Confectionery & Fine Foods



Felix Richterich, grandson of the founder of Swiss herbal drop specialist Ricola, is Chairman of the Board and Chief Executive Officer of the family-owned firm



Ricola Head of Global Travel Retail & Middle East Andreas Reckart with travel retail journalists at Ricola's herb garden in Laufen, Switzerland

Felix Richterich, grandson of the founder of Swiss herbal drop specialist Ricola, is a vigorous proponent of travel retail. As Chairman of the Board and Chief Executive Officer of the family-owned firm, he oversees a thriving operation that achieved group sales of CHF 325 million (US\$328 million) from its headquarters in the town of Laufen, nestled in the Swiss countryside some 30 kilometers from the affluent, art-loving city of Basel.



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Ricola distributes around 60 different herb specialties to more than 50 countries in Europe, Asia and America. Perhaps surprisingly, the 88-year-old company exports around 90% of its production – and this is where travel retail comes in.

Speaking to travel retail journalists from Ricola's modern, Swiss contemporary art-filled headquarters in Laufen, Richterich is crystal-clear about the travel retail opportunity he sees for the Ricola brand, thanks to its global reach. "Ricola is a global brand available all over the world, from Japan to Canada, and from Norway to Dubai," he says. "We are a recognized brand. Our ambition is to be a world leader in herbal drops, and we think it's important to be where people are traveling – in airports, on ferries... We want to touch consumers wherever they are."

Richterich points to the wellness benefits and relevance of the product itself as a key driver for the brand in travel retail. The drops contain beneficial herb extracts that counter the often arduous effects of travel, such as dry air in airplanes. They also give you a clear voice, as well as providing refreshment, he says.

The shop-window factor is also important, he believes. "Travel retail channels are also a showcase and a window to the world. It's a good opportunity to show our brand and communicate our values and product benefits."

But he stresses that travel retail is a sales and distribution channel as well, in which the company invests time and money. "We put a lot of emphasis on becoming available in travel outlets."



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Spearheaded by the company's Head of Global Travel Retail & Middle East, Andreas Reckart, Ricola has developed special packs for individual consumption, positioning the product as a travel necessity, like tissues, for example. "Ricola can be your companion everywhere you go," says Richterich, speaking about the new packaging concept for the channel.



Travel retail exclusive Ricola Lemon Mint Sugarfree Herb Drops are presented in a 75g tin

Unlike traditional confectionery brands, Ricola is not emphasizing the gifting aspect of the brand, but self-consumption during travel. The upscale-looking travel retail tins are made from metal and contain an exclusive candy mix that's designed to be something special for travelers. (The tins can also be reused - tapping into another major consumer trend.)

### **Latin America travel retail is important**

Ricola as a brand is very strong in Europe, America, many Asian countries, and the Middle East, where it already benefits from brand awareness. Dubai Duty Free is a particular sales hotspot for the brand, reveals Reckart.

Now, the company is entering the Latin American market and has achieved a good position in Chile, Panama and Mexico. Travel retail is also important in that region, Richterich reveals.

Cruise lines across Europe (including the Scandinavian ferries) and America are also performing well with the brand.

Richterich describes Asia as a market that's "coming up", where the brand is well-established in Hong Kong, Singapore, Taiwan, Japan and China.

The company is now looking at other Asian markets, such as India and Pakistan, which are not yet developed. Again, this is where travel retail plays an important role, believes Richterich. "Travel retail could help make the brand recognized. We could enter markets where on the local market we are not already available; it's an interesting idea."