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Democracy Dies in Darkness

How to make the most of dutyfree airport stores

Not everything in duty-free is a deal



Advice by <u>Christopher Elliott</u> Columnist

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On a recent stopover in Doha, Qatar, I saw the future of duty-free shopping. It's the Orchard, a soaring new glass-walled terminal at Hamad International Airport that was part of the airport's expansion ahead of the World Cup.

At the center of this indoor shopping area, there's a 65,000-square-foot park planted with bamboo, Macarthur palms, water trumpets and Egyptian water lilies sourced from sustainable forests around the world. It's the last thing I expected to see after a 13-hour flight from Houston, and I still can't believe it's there.

On the perimeter, you'll find a Starbucks with a commanding view of an airport runway, a Fendi cafe, a one-of-a-kind FIFA shop and the largest Ray-Ban store of any airport in the world.

"The more luxurious, the better," says Ahmad Al-Abdulla, a spokesman for Qatar Airways.

But the setting wasn't all that drew my attention. If you're a member of the Avios loyalty program, you can earn <u>one point for every roughly \$1.30 spent at duty-free</u> in the Orchard — or anywhere else at the airport. And you can buy items using your points, a potential game changer in the highly competitive duty-free shopping world.

"I think more integrations like this will be on the way at other airports as airlines try to increase the appeal of their frequent-flier programs," says Beau Ragland, CEO of the travel app Voyista.

Even though many international airport terminals are trying to reimagine themselves as malls that happen to have boarding gates, duty-free shopping is not like regular shopping. You'll find different products for sale, potentially confusing prices and specific rules that will govern your shopping experience. Duty-free merchandise sometimes also requires special handling.

What does 'duty-free' mean?

The merchants at duty-free airport shops are exempt from paying taxes and duties, so the products may be less expensive than they are outside of the terminal. You'll typically find alcohol, electronics, jewelry, perfume, tobacco products and souvenirs.

Shelley Ewing, president of <u>TierOne Travel</u>, says duty-free shopping can sometimes save you money, although you should never assume that everything is discounted.

"You can also purchase products that aren't available in your own country," she adds. "These items can be perfect as gifts for friends and family, or even just a souvenir of your travels for yourself."

What are the rules of duty-free shopping?

Duty-free stores follow a special set of rules because of the tax exemption. Generally, you must be a passenger on a departing international flight to buy from a duty-free business at the airport. Customs authorities may require that you present your receipts for duty-free purchases when you enter the United States on your return trip.

Duty-free merchandise may also be subject to taxes on arrival, depending on where you're traveling. If you're returning to the States, you can bring up to \$800 in duty-free purchases every 31 days. There are also limits on alcohol and cigarettes that depend on where you're arriving from.

Can I take duty-free goods on a connecting flight?

Duty-free doesn't necessarily mean hassle-free. That's what Nina Weiss, an office manager from Allentown, Pa., discovered when she flew home to Philadelphia from Lisbon in December.

"I decided to spend my last euros on some white port," Weiss said. When she changed planes in Montreal, she passed through U.S. Customs.

"They cut open the bag and the box and swabbed the bottle," she recalls. "I passed the test, and they sealed up the bag, and I was on my way. What a dumb thing. A bottle I just purchased at the last airport suddenly became a hazard in the air?"

If you're connecting to a domestic flight after you go through customs, you'll need to put any large liquids in your checked bag, says travel adviser Joanne Herd, the founder of Girasole Travel.

"Remember, the TSA liquid guidelines apply when you're going through security to connect to a domestic flight, so that full-sized bottle of rum you just bought at the airport in Jamaica can't be carried on with you," she says.

Strategies for successful duty-free shopping

As tempting as it might be to go crazy on duty-free purchases, experts warn against it. Here are more tips for smarter shopping:

Avoid snacks and medication. Not everything at an airport duty-free store is a bargain, warns Narendra Khatri,
principal of <u>Insubuy</u> and a frequent air traveler. "Try to avoid buying snacks, over-the-counter medication and lastminute travel accessories like headphones and neck pillows at the duty-free shop if you can avoid it," he says. "The
extra money you're paying for the convenience of purchasing these items at the airport will usually outweigh any
potential savings."

- **Time is the enemy.** Whether you're making a connection or boarding a flight, you probably only have a limited time to shop. That may stop you from running a price comparison that you might if you were outside the airport. "You may overpay," warns Mahmood Khan, a tourism and hospitality professor at <u>Virginia Tech</u>. He says items are sometimes more expensive than they are at a local market, so you are paying for the convenience of shopping at the airport.
- Remember your boarding pass and passport. If you want to buy something at duty-free, a sales associate may ask for your boarding pass and ID. This is required for tax purposes at some duty-free stores. But it's not a hard-and-fast rule. When I was waiting for my plane in Ushuaia, Argentina, I tried to buy a snack at the duty-free shop. (Please don't tell Khatri.) I didn't have my passport handy, but after I explained to the cashier that it was my only meal of the day, she sold it to me anyway.

What's next for duty-free shopping?

Doha's Orchard could rival any upscale shopping mall in the United States. The closest airport comparison would be either Dubai or Istanbul International. They're both pretty spectacular, too.

In January, shortly after the Orchard opened, Qatar Airways began awarding Avios points to members of its Privilege Club when they shopped in the terminal.

The points you earn from your flight are conveniently deposited in your account two hours before departure. Then you can spend the points on your stopover in Doha. It isn't too difficult to imagine other airports copying Doha's formula. Well, maybe not the Orchard, but the point scheme. After all, the only thing more addictive than collecting points is spending them.