

Three inspiring trends influencing travel retail in 2019



Brands cannot ignore the central role smartphones play in the travel trail, says Pernod Ricard Global Travel Retail

Pernod Ricard Global Travel Retail has revealed the three key travel retail trends that brands “cannot ignore” in 2019.

The spirits group said that in a competitive marketplace driven by the experience economy and incredible technological advances, it is more essential now than ever that travel retail brands find ways of engaging with consumers through innovative and meaningful experiences.

The three trends were touched on at a cross-industry panel organized by Pernod Ricard Global Travel Retail at the 2018 TFWA World Exhibition, which featured Mohit Lal, CEO, Pernod Ricard Global Travel Retail; Tamara Lohan MBE, founder and CTO of Mr & Mrs Smith; and Brian McBride, Chairman of Asos and Wiggle.

Recognize the diversity within audiences

According to Pernod Ricard Global Travel Retail CEO Mohit Lal, “in order to build successful travel retail experiences for millennials, brands must understand how these individuals work, before attempting to fulfil their need for spontaneous gratification and indulgence”.

Travel retail brands need to recognize the diversity within different audiences and their varying interests and motivations – and the impact of location and environment.

Travel retail is a unique retail experience, and the same rules do not always apply. As Tamara Lohan MBE said: “Within the duty-free space sits a captive audience in an area that lends itself to discoverability and inspiration. This is a fantastic and exciting opportunity for brands that should always be leveraged.”

Put mobile first

In the digital age, it is more important than ever that brands are making full use of the opportunity to engage with travelers through their smartphones and other connected devices.

“The mobile phone is a device underestimated in its impact during the travel trail,” said Lal, adding: “80% of travelers are digitally engaged, and the key to reaching them is through successfully activated digital touch points.”

Almost all travelers are digitally enabled, meaning there is a plethora of data available that communicates who is where and when.

According to Lohan: “Airlines have the knowledge of exactly who is stepping off every plane, from which country and at what time. The power of this insight is incredible.”

Travel retail brands could and should make the most of using the data available to them by tailoring content to the customer.

Asos Chairman Brian McBride noted: “Our customers share with us a huge amount of data that elevates our relationship with them in terms of intimacy and privilege. You need to get your brand to a place where customers are sharing their desires, aspirations and needs with you directly. Brands need to earn the right to be placed in the prime real-estate that is the app space on their customer’s mobile phone.”

Create flow in the travel trail

A frictionless purchase trail is essential to give travelers a smooth and seamless experience when interacting with brands. With the mobile phone becoming more integrated in all journeys, it is only natural that this device should also become a standard element of purchase decisions. Already this year staff-less hotels have been launched that speed up the consumer journey by removing people in the hope of creating more seamless experiences.

The continued rise of artificial intelligence, highlighted by its increasing integration and prominence across all industry sectors, demonstrates how technology is omnipresent in the consumer experience.

A seamless and easy purchase is far more likely to earn repeat sales from customers and has the potential to encourage the customer to share their experience on social media, which, according to Lal, “should be the goal for every brand”.

Brands should consider utilizing these devices as much as possible as they contribute to everything from smooth, friction-less payment processes to fewer queues, concluded McBride.