

DFWC's 2023 Q1 KPI Monitor reveals increase in gifting and global air traffic



The report has been produced by travel related research agency m1nd-set

According to the [Duty Free World Council](#) (DFWC)'s 2023 Q1 KPI Monitor, gift purchasing, which had seen a steep decline since the pandemic, is on the increase once again. Global air traffic during the last quarter also shows a healthy recovery and is only 16% below pre-pandemic levels.

The monitor, produced for the DFWC by travel related research agency [m1nd-set](#), incorporates traffic evolution data from m1nd-set's Business Intelligence Service (BIS), which is supplied by IATA's comprehensive DDS air traffic database and forecasting tool.

"Air traffic in both North America and the Middle East between December 2022 and February 2023 has now overtaken the traffic between December 2018 and February 2019," said Peter Mohn, CEO and owner of m1nd-set. "North America's traffic was at 111% of the pre-pandemic level at 42 million in the last quarter, while in the Middle East, international departures were just over pre-pandemic levels at 103%, with 54 million international departures from the region during Q1 this year. Only Asia Pacific traffic shows a slower revival due to the staggered reopening across the region, particularly China.

"Asia Pacific traffic in Q1 2023 is only just over half the level it was at between December 2018 and February 2019 at 53 million international departures. In Europe and South America on the other hand, air traffic is just below the pre-pandemic level at 95% and 96% respectively."

The leading markets for international departures over the last quarter between December 2022 and February 2023 are also highlighted in the quarterly KPI monitor, featuring both the top 10 airports and nationalities for international departures. Dubai tops the ranking for international departure airports during the last quarter with 10.46 million departures. London Heathrow is in second place with 8.5 million departure passengers in Q1 2023 and Paris Charles de Gaulle is in third place with 7.5 million. Other leading international hubs featured in the top 10 airports for the last quarter, between December 2022 and February 2023, include Singapore Changi, Amsterdam Schiphol, Istanbul, Frankfurt, Seoul Incheon, Doha, and Madrid.

The United States emerges as the leading market for departing nationalities, with over 37 million international departures among US citizens between December 2022 and February 2023. The UK follows with over 23 million, followed by Germany with 18 million and France just below 17 million. There were 14 million international departures among Indians during the period, putting Indians in fourth position. Italy follows in fifth position with just less than 13 million. Spain, Canada, South Korea, and the Netherlands complete the top ten rankings for departing nationalities.

Looking into purchase behavior, gifting is the only purpose to rise between Q4 2022 and Q1 2023. 27% of global shoppers purchased for gifting in Q1 this year compared to 25% during the previous quarter, however this is still much lower compared to before the pandemic. Shoppers also tend to plan their purchases more than before, according to the Monitor. 77% of shoppers planned their purchase either specifically, or partially, in Q1 2023, compared with 74% during the previous quarter, while the share of shoppers purchasing on impulse declined 3 points from 26% to 23%.

“One of the key benefits of the DFWC KPI Monitor is its ability to track trends across various shopper behavioral aspects over time,” said DFWC President Sarah Branquinho. “This enables industry stakeholders to maintain their finger on the pulse in terms of where the industry is performing well, as well as where improvements can be made. The fluctuations in the purchase drivers monitored, such as value for money, convenience, and brand loyalty, as well as the barriers to purchase, such as the lack of motivating promotions, reveal where we need to constantly review the offer, and focus on improving communication of the benefits of purchasing in the duty and tax free channel to travelers.”