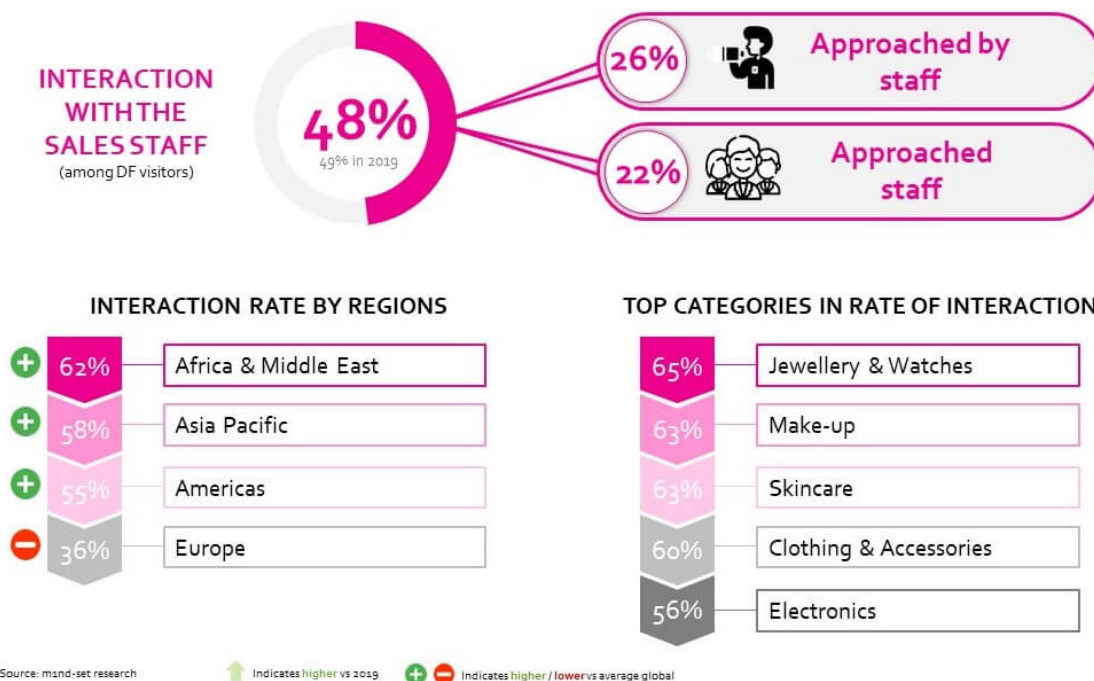


m1nd-set highlights importance of staff interaction in global travel retail

SALES STAFF INTERACTION



m1nd-set's latest research highlights interaction with sales staff in travel retail

New research from m1nd-set has highlighted the pivotal role of staff interaction in enhancing customer experiences, driving sales and increasing spend in travel retail, as well as the importance of a combined digital and human approach to customer engagement.

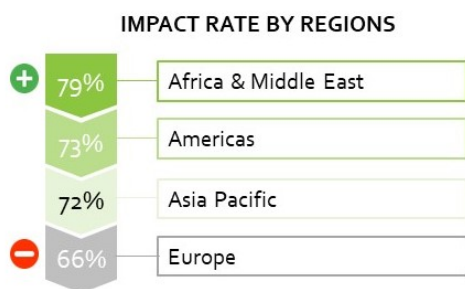
The research, published recently by the Swiss travel retail research agency, warns that despite a post-pandemic spike, current interaction levels have dropped just below pre-COVID figures, with only 48% of shop visitors engaging with staff compared to 49% in 2019. European shoppers interact the least, according to the research, at just 36%, in contrast to higher engagement levels in other regions: 62% in Africa & the Middle East, 58% in Asia Pacific and 55% in the Americas. The Jewelry & Watches category sees the highest staff interaction rates at 65%, followed by Make-up and Skincare, both at 63%, Clothing & Accessories at 60% and Electronics at 56%.

The research also demonstrates that the impact of staff interaction has remained significantly positive in the past few years since the end of the global pandemic. Over 70% of shoppers report positive interactions, with 31% receiving product recommendations, 27% purchasing alternative products based on staff advice, and 13% influenced to buy items they wouldn't have otherwise considered. The highest positive interaction rates are in Africa & the Middle East (79%), followed by the Americas (73%) and Asia Pacific (72%).

The categories which tend to see the most beneficial outcomes of the sales staff interaction are Electronics, where 82% of shoppers globally report a positive impact. Jewelry & Watches follows with 81% and Clothing & Accessories with 78% of shoppers in the category saying the staff interaction had a positive impact on their decision to purchase.

The importance of staff interaction is underscored by its substantial impact on spending. Shoppers who engage with staff spend 51% more on average (US\$136) compared to those who do not interact (US\$90).

SALES STAFF IMPACT ON DECISION-MAKING



Thought rate of interaction is stable vs 2019, the **interactions are increasingly impactful** on decision-making.



Source: m1nd-set research



Indicates higher vs 2019



Indicates higher / lower vs average global

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m1nd-set also considers the impact sales staff have on decision making in travel retail

The research also focuses on the importance that technology will have on enhancing the sales staff interaction. According to m1nd-set, technology significantly improves how sales associates engage with customers by utilizing CRM systems, facial recognition software, and AI. These tools, yet to be embraced holistically by travel retail, enable personalized customer interactions by providing detailed profiles and real-time alerts about returning customers, predicting shoppers' needs, and suggesting products, based on similar profiles and shopping behavior. Additionally, wearable technology can further assist sales associates in providing a more personalized customer experience, according to m1nd-set. The research also highlights how loyalty programs and voucher redemption schemes can also be highly personalized through robust CRM systems.

Technology also plays a crucial role in assisting shoppers, particularly those with disabilities, in navigating store environments. As an example, m1nd-set's partner Navilens aids visually impaired customers through audio signals and product or environment descriptions triggered by the special Navilens codes.

Peter Mohn, CEO & Owner at m1nd-set, said, "Effective staff interaction is vital in travel retail to ensure a superior customer experience. Personalization, relationship-building, detailed product knowledge and curating memorable experiences are all crucial to successful customer engagement.

"When international flights resumed post-COVID interaction levels between shoppers and staff soared. Customers were yearning for human engagement after prolonged lockdowns and mask-wearing and 'human interaction only' was favored after combined digital and human interactions, and ahead of "digital only' interactions. The trend has since evolved and 'digital only' is again ahead of 'human only' interactions. Combined interaction has consistently been the most favored approach

and so it's crucial that as technology advances, CRM systems, AI, and augmented reality are deployed more extensively across the global travel retail sector to empower sales associates to deliver more personalized, effective, and impactful customer engagements. This in turn will drive higher shopper satisfaction, customer loyalty, and increased spending.

"As shoppers increasingly seek integrated online and physical retail experiences, it will be essential to ensure consistent service levels and personalization across both channels," Mohn concluded.