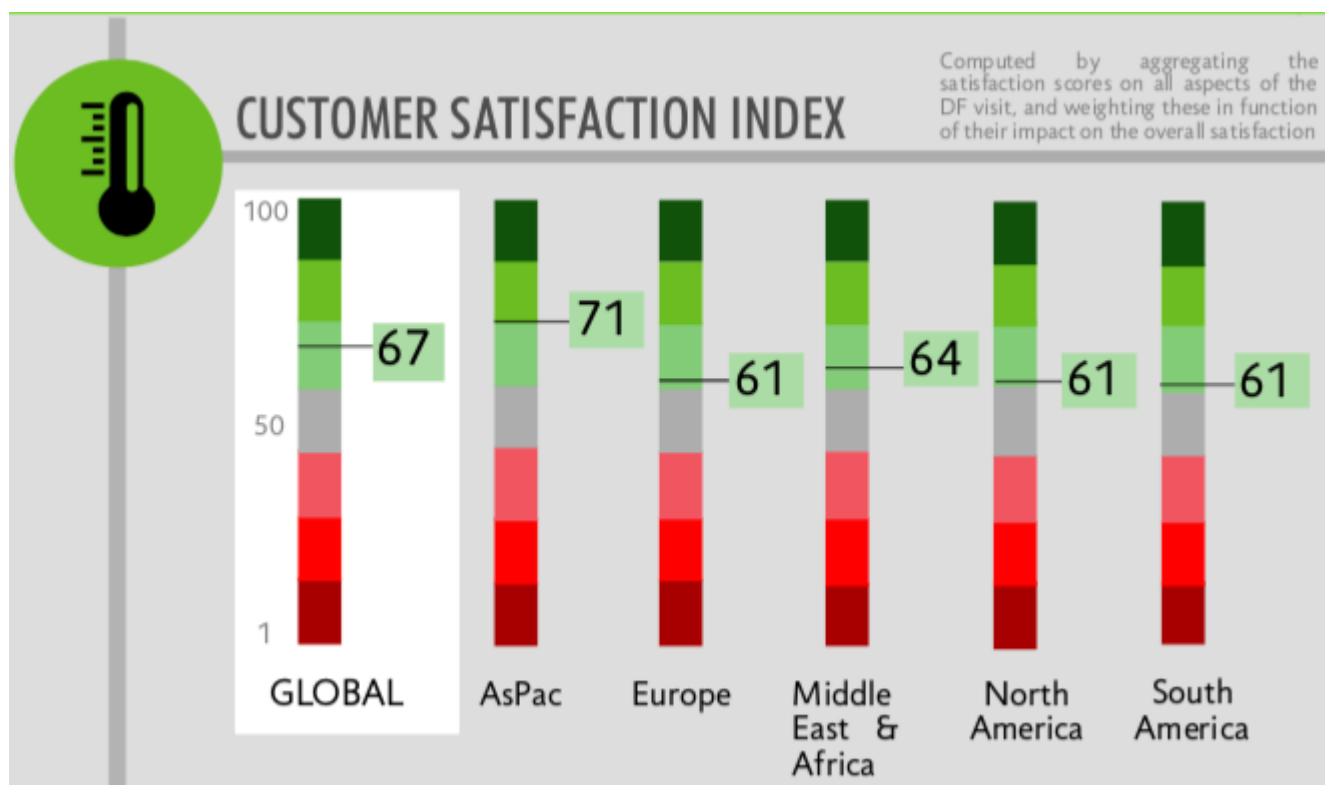


Travel retail exclusives 'essential to duty free shoppers' - new report



The importance of travel retail exclusives is underlined in the latest Duty Free World Council's (DFWC) quarterly KPI Monitor.

The latest report for Q4 2018 reveals that global shoppers are more motivated to buy exclusive items in duty free shops, up 2% on the previous quarter, with 45% of shoppers agreeing with the statement.

International travelers' perception of duty free shopping also reveals improved ratings for duty free shops as "a great place to try new brands", to enjoy a "truly different experience" and to find "exclusive and new products".

The Monitor was compiled through interviews with over 4,000 international travelers across all world regions during December by Swiss research and consultancy agency m1nd-set.

The report also includes global air traffic data, which shows robust year-on-year increases 7.4% globally, with Africa (+10%) and Europe (+8.4%) showing above average increases on Q4 2017.

The overall customer satisfaction index shows a global increase of two points on Q3 2018, with the highest increase in Asia Pacific (+2), which is also the best performing region. Europe and South America both report a one-point increase in the global index and both the Middle East and North America show no change.

The importance of exclusives is underlined by the increasingly positive perception about the variety of products and how this makes duty free shops "a great place for shopping". This perception gained +2% versus the 2018 Q3 Monitor.

The key reasons after price advantage and value for money for buying in duty free shops are because

the products are “not found at home” and are “different from usual”. “No duty free exclusives” also moved into the top five reasons for not purchasing in duty free shops in the last quarterly report.

DFWC President Frank O’Connell commented on the findings: “The time of year is clearly a contributing factor to the importance of exclusives, with brands and retailers pushing the exclusives and travel retail exclusive gift offers during the festive season. For both western travelers for Christmas and Chinese travelers purchasing ahead of the Chinese New Year period, travel retail exclusives are key purchase drivers at this time of year.

“If we look at the impact of the qualitative aspects on the overall perception of the duty free shopping experience as well as value for money, we see that ‘uniqueness of products/services’ is the second most impactful aspect on the satisfaction levels among global duty free shoppers.”

Peter Mohn, CEO & Owner at m1nd-set, added: “It is vital for brands and retailers to offer a clear price advantage in duty free shops as this is what customers look for first and foremost, and uncompetitive prices remain the main barrier to visiting and purchasing in the channel. However, there are increasingly important expectations around the uniqueness of the offering and experience. A growing number of duty free shoppers are buying products which they have never bought before or which are unique and exclusive to duty free.”

Further information about the Monitor is available from m1nd-set at info@m1nd-set.com.