

Workshop 1

TARGETING THE INDIAN TRAVEL MARKET

Translation available:



Japanese
Channel 3



Chinese
Channel 2

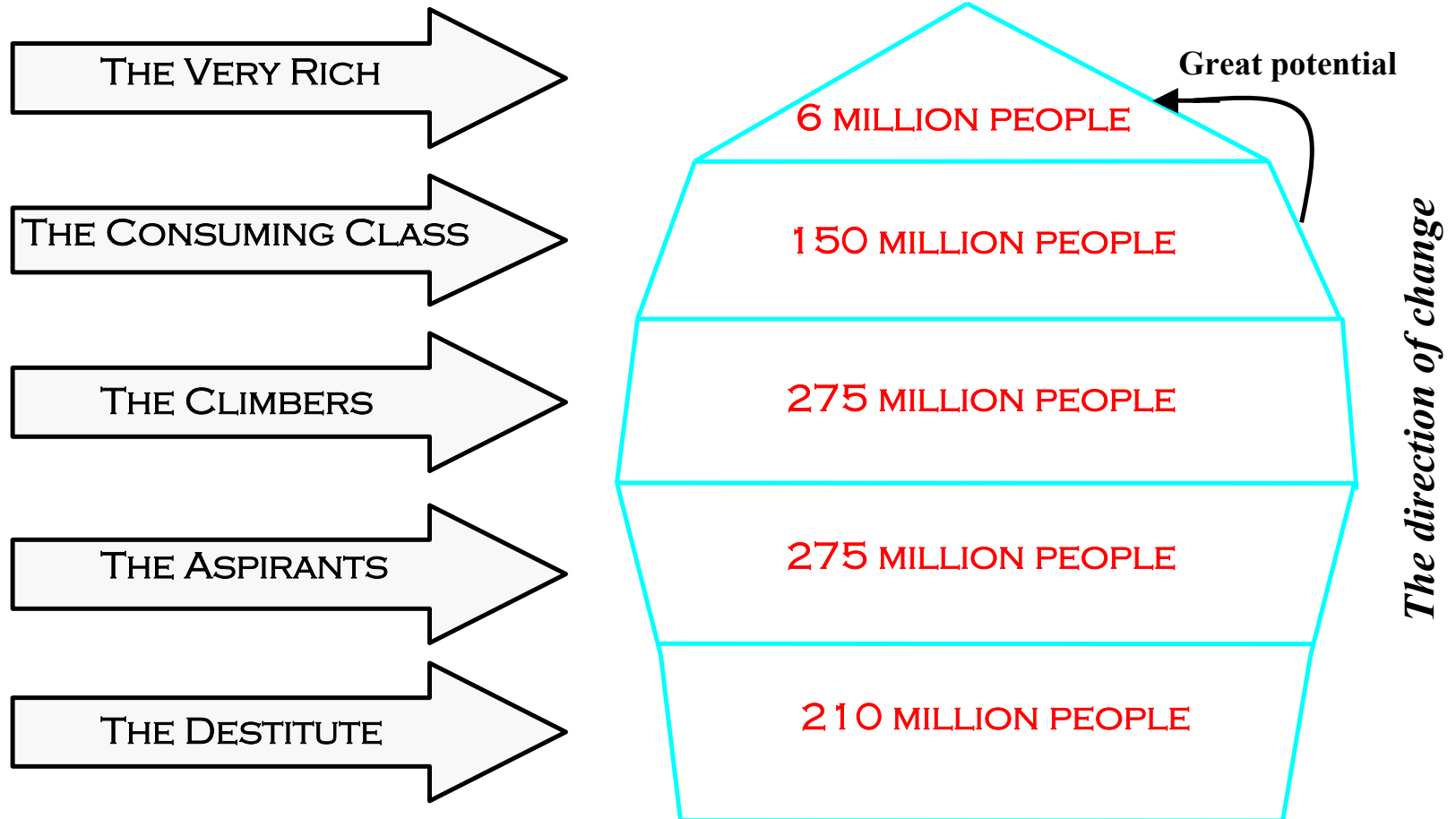
即时翻译

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WHICH INDIA . . .

THE MARKET STRUCTURE



INDIAN TRAVELLER – THE POTENTIAL

- AT PRESENT, ONLY A MILLION INDIANS BUY LUXURY BRANDS ALTHOUGH THE TARGET AUDIENCE COULD BE AS HIGH AS 8-9 MILLION GIVEN THEIR PURCHASING POWER.
- IN 2004 AN ESTIMATED 6.0 – 7.5 MILLION OUTBOUND TRAVELLERS, BUT THIS YEAR THE PROJECTED FIGURE COULD EXCEED 8.0 MILLION!

INDIA - DUTY FREE SCENARIO

- ITDC (INDIAN TOURISM DEVELOPMENT CORPORATION) – UNTIL RECENTLY THE SOLE OPERATOR AT 10 MAJOR AIRPORTS.
- GOVT. MONOPOLY – WITH LITTLE OR NO INVESTMENT
- ALPHA RETAIL – COCHIN AIRPORT – DUTY FREE
- FLEMINGO – LATEST ENTRANT
- OTHERS – MANY FALSE STARTS!

INDIA - DUTY FREE SCENARIO.....CONT

- PRESENTLY ONLY FOCUSSED ON MAJOR AIRPORTS
- POTENTIAL FOR DEVELOPMENT OF SMALLER REGIONAL AIRPORTS
- WHAT ABOUT
 - SEAPORTS?
 - BORDER SHOPS?

INDIAN TRAVELLER

INDIA – DUTY FREE



- APPROX. 20M PAX SPREAD OVER 22 AIRPORTS
- AVG SPEND PER PAX <US\$4.00
- ITDC TURNOVER IN 2005 OF APPROX. US\$34MN

DUBAI DUTY FREE



- 9% OF TRAFFIC (OF WHICH 6% IS FEMALE) - 84% MAKE A PURCHASE
- 33% BUY LIQUOR
- AVG SPEND PER PAX APPROX. US\$24.00
- DDF TURNOVER IN EXCESS OF US\$500MN

INVER HOUSE DISTILLERS

- ITDC – BRANDS LISTED SINCE 1997/98
- PRODUCTS - FOCUS ON BLENDS (VFM) & SINGLE MALTS (PREMIUMISATION - MORE RECENTLY)
- OTHER DF OPERATORS – NEGOTIATING FOR NEW LISTINGS IN INDIA
- OBJECTIVE – TO TARGET THE INBOUND & OUTBOUND INDIAN TRAVELLER
- STRATEGY – TWO PRONGED APPROACH – DF IN INDIA & IN NEIGHBOURING SAARC & GULF COUNTRIES

THE FUTURE.....OPPORTUNITIES

- Investment in infrastructure – airports
- A paradigm shift i.e.: Airport operator & Duty Free operator
- More retail space in key locations
- World class shopping
 - Luxury brands require a luxury retail environment in which to market themselves
- How come others can do a better job?