

PRESS ANNOUNCEMENT

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Value for money key

TFWA drinks category research highlights how to maximise appeal of core sector

Value for money remains a critical driver in the drinks sector and is key to increasing footfall, conversion and spend - according to the latest research from TFWA. The study, which was conducted by travel retail research specialist Counter Intelligence Retail, revealed that over half of passengers (53%) believe that there is a price advantage to be had by shopping at the airport. This is higher than any other travel retail category. Half of those taking part in the study say they would be encouraged to purchase in the future if prices were cheaper, while a substantial 38% check prices before they go to the airport.

After price, however, a wide range of products was the next most compelling reason to buy, with one in four of those surveyed stating that they would be tempted to buy in the future if a broader selection was available.

Travel retail exclusives are also important to alcohol shoppers, and just under two thirds (61%) said that good value is the most important attraction while just under half (49%) like being able to buy products that aren't available elsewhere.

A significant two thirds (62%) purchase for themselves, and on average buyers spend more on alcohol when buying for themselves than when buying a gift. Just one in five consider alcohol as suitable for gifting.

Product sampling and 'gift with purchase' are the most appealing promotional initiatives, chosen by over half (52%). However when it comes to marketing activity that fails to hit the mark, lack of anything that catches the eye is the main barrier to purchase cited by just under a third (32%), while the absence of attractive promotions is a barrier to purchase for one in five.

Planned spending on alcohol in duty free and travel retail shops is significantly higher than among buyers in all other categories combined. While half of buyers in all categories plan their purchase, this figure rises to two thirds among alcohol buyers. Similarly while two in five shoppers across all categories know what brand they will choose, three in four alcohol shoppers know the name they will opt for.

Commenting on the results TFWA President Erik Juul-Mortensen said; “Price is still clearly an important motivator to purchase alcohol at the airport, and retailers need to do all they can to ensure that the value proposition is fully understood by passengers. However driving sales in this sector will be about more than cost cutting. There is clearly substantial opportunity to encourage customers with initiatives such as engaging gift with purchase promotions as well as capitalising on the appeal of the travel retail exclusive. Developing gifting also represents an untapped opportunity, and there is room for growth here too.”

The TFWA Alcohol Duty Free and Travel Retail Category Report was compiled by Counter Intelligence Retail. It was based on approximately 1,000 shopper interviews conducted at four key airports across the globe. A minimum of 50% of the sample were duty free buyers. Each interview lasted approximately 15 minutes.

The full report is available as an exclusive benefit to TFWA members at www.tfw.com.

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