



TFWA RESEARCH

DF/DP shopping perception at DXB: A



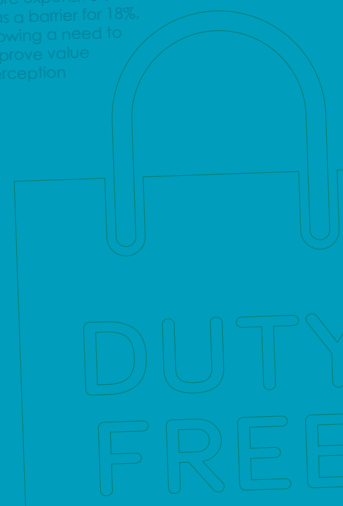
Triggers

Value for Money

38% of Alcohol Shoppers checked prices prior to travelling and 53% believe that there is a price advantage at the airports, higher than for any other category.

Half of all Alcohol Shoppers would be encouraged to purchase in future if prices were cheaper, though this was less of a driver amongst Wine & Champagne Shoppers (41%).

Amongst Alcohol Non-Buyers, the belief that prices at the airport were more expensive than at home was a barrier for 18%, showing a need to improve value perception.



opportunity to own products that are unavailable elsewhere (49%)

- TR Exclusives and unique products are of equal interest to Wine & Champagne Shoppers

Alcohol Shoppers have significantly greater awareness of TR Exclusives than Shoppers overall (30% vs. 23%)

- Amongst Shoppers aware of TR Exclusives, awareness is higher for Alcohol at 33% than for any other category
- 1 in 2 Alcohol Shoppers are interested in TR Exclusives, especially Spirits and Liqueurs Shoppers

Around half (53%) of Alcohol Shoppers understand TR Exclusives to mean products that can only be bought when travelling, suggesting further opportunities to improve understanding of TR Exclusivity through better communication.

'Duty Free Only' was the preferred description for TR Exclusives, especially among Europeans and Americans. Asians prefer 'Traveller's Exclusive' or 'Exclusive to Travellers'.

Travellers from the Middle East

Interest in buying international brands

International brands are more likely to be bought elsewhere, especially in duty-free, as highly regulated and trustworthy.

Mostly true for consumables, beauty products, less for fashion.

Country they visited

Additional markets to buy things from the country I visited, like I haven't been there."

Have travelled abroad

When I show what I bought, other people when I come back."

Not available in the local market

Not available here such as watches and bags. New things bought abroad first then it comes to the local market.

UNDERSTANDING THE TRAVELLING CONSUMER

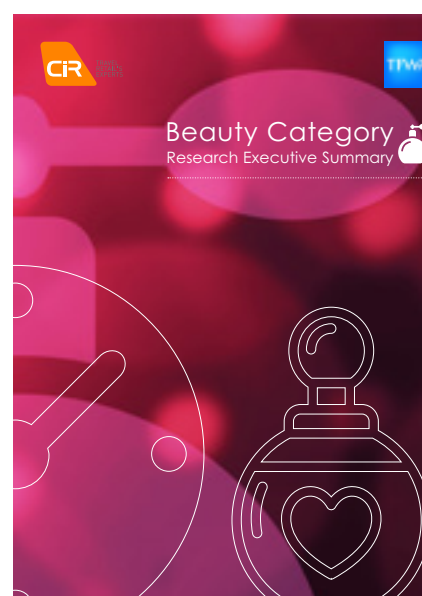
Since the early 2000s, TFWA has provided its members with timely, actionable research studies that aim to deepen our industry's knowledge of the travelling consumer. The bank of data intelligence amassed by TFWA Research over the years has become an important resource to TFWA members, helping them to adapt their commercial strategies according to the needs of travellers worldwide.

Since the publication of the first TFWA Handbook, the Association has commissioned two major series of reports, each available exclusively to TFWA members. The first, the **TFWA Airport Insight Series**, was conducted by m1nd-set and features 9 reports in total, each based on over 1,500 interviews with travellers at some of the world's leading airports by commercial revenue. The series analyses customer attitudes and behaviour among shoppers and non-shoppers, revealing spend data, conversion rates, overall satisfaction and barriers to purchase.

The second major collection of studies, the **TFWA Category Reports Series**, represents the Association's first move to explore individual product categories in depth. Conducted by Counter Intelligence Retail, the series features reports on six core categories: Beauty, Alcohol, Tobacco, Confectionery, Fashion & Accessories and Watches & Jewellery. Each report is based on hundreds of interviews with travellers of various nationalities at four leading airports, and includes qualitative and quantitative data, insights and recommendations.

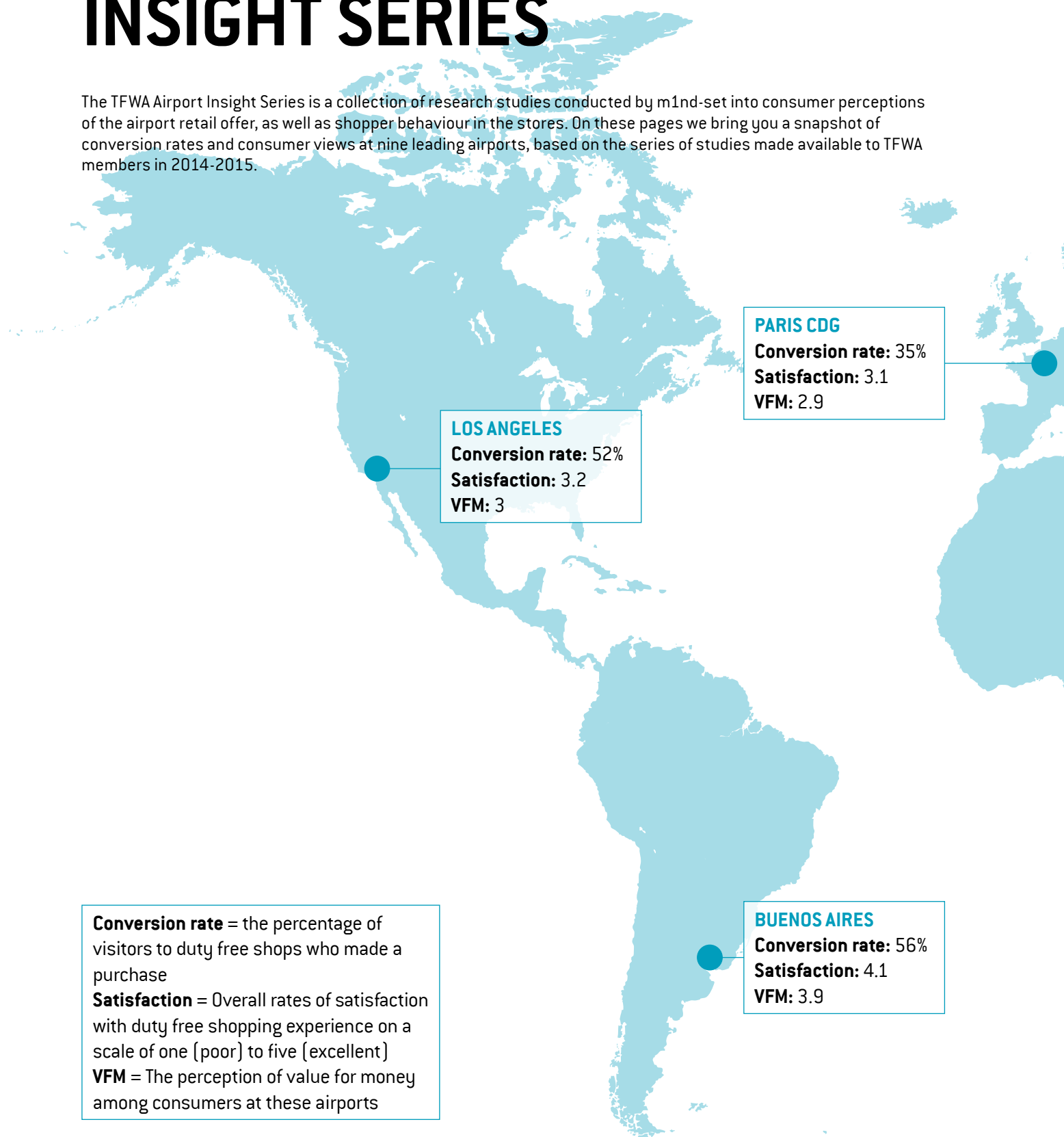
In this chapter of the Handbook, we present highlights of each series of studies. Like all other research studies commissioned by TFWA, they are available to download free of charge in the Members section of the TFWA website, TFWA.com.

For any queries relating to TFWA Research, please contact Sabine Parmentier at s.parmentier@tfwa.com.



TFWA AIRPORT INSIGHT SERIES

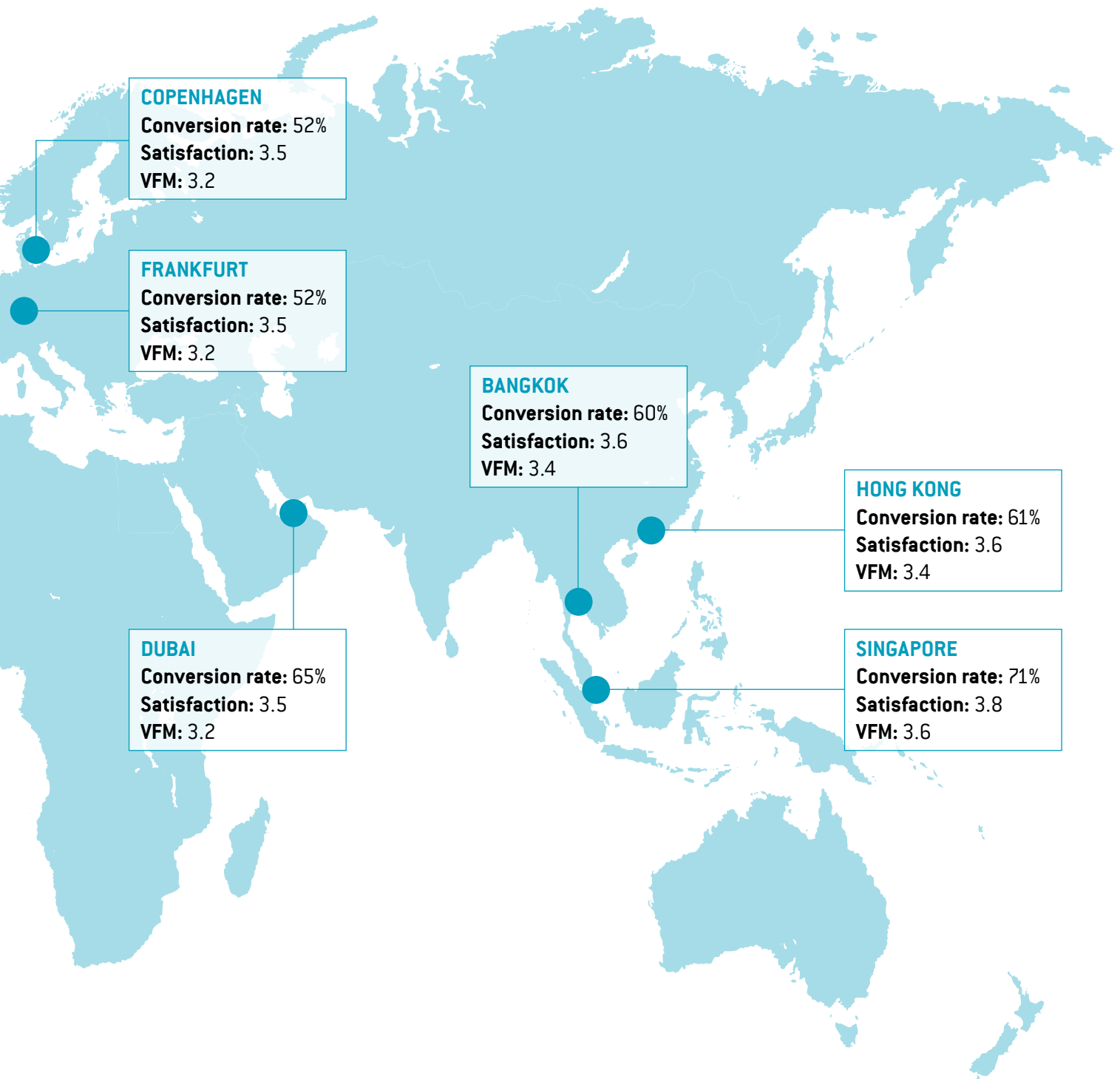
The TFWA Airport Insight Series is a collection of research studies conducted by m1nd-set into consumer perceptions of the airport retail offer, as well as shopper behaviour in the stores. On these pages we bring you a snapshot of conversion rates and consumer views at nine leading airports, based on the series of studies made available to TFWA members in 2014-2015.



Conversion rate = the percentage of visitors to duty free shops who made a purchase

Satisfaction = Overall rates of satisfaction with duty free shopping experience on a scale of one (poor) to five (excellent)

VFM = The perception of value for money among consumers at these airports



Source: m1nd-set/TFWA Research
TFWA members can download the Airport Insight Series free of charge at [TFWA.com](https://www.tfwaworld.com)

CATEGORY REPORT: BEAUTY

The beauty category accounts for over 30% of global duty free & travel retail sales, and the Beauty study in the TFWA Category Reports Series offers several key insights into this crucial sector. Here we present highlights and benchmarks from the report, compiled by Counter Intelligence Retail. The full study, along with all reports in the series, is available free of charge to TFWA members on the Association's website, TFWA.com.

Profiling the beauty shopper



63%



37%

Adults
under 40

63%

Average
number
of product
categories
visited

1.8

Average
number
of product
categories
purchased

1.3



Average spend
on category

US\$92

ALL SHOPPERS



44%



56%

Adults
under 40

61%

Average
number
of product
categories
visited

1.5

Average
number
of product
categories
purchased

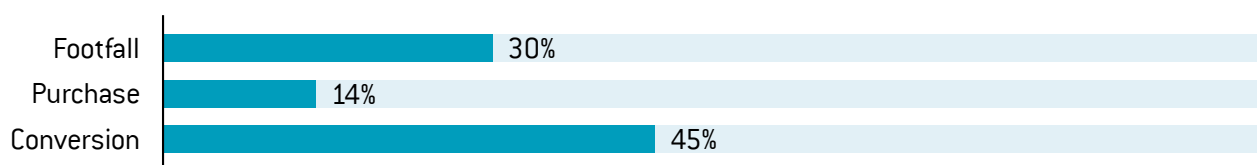
1.2



Average spend
on all retail

US\$140

KEY MEASURES



SUB-CATEGORIES VISITED AND PURCHASED

Average
spend on
fragrance**US\$91**Average
spend on
cosmetics**US\$56**Average
spend on
skincare**US\$67**

POPULAR SUB-CATEGORIES

Most planned



Cosmetics

59%

Most gifted



Male fragrance

39%

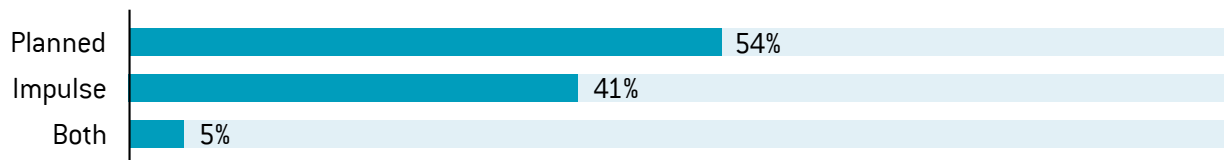
Highest footfall, purchase and conversion



Female fragrance

55%**19%****35%**

HOW THEY BUY

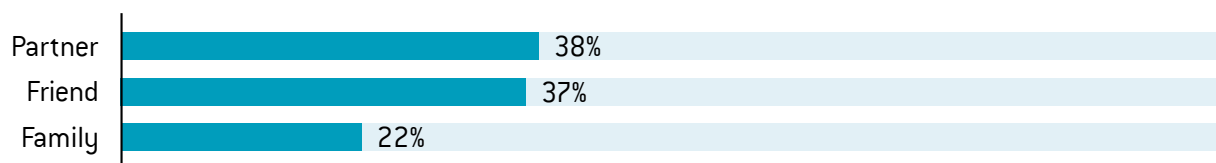


*71% of planners knew the brand or product they would purchase

WHO THEY BUY FOR (*Average spend)

Self
61%
US\$78*Gift
30%
US\$86*Request
9%
US\$83*

WHO GIFT BUYERS BUY FOR



Source: TFWA Category Reports Series/Counter Intelligence Retail

CATEGORY REPORT: ALCOHOL

A growing, diverse and vibrant category, but one that needs to convince more female and young travellers to spend. Worth over US\$10 billion in 2015, the wine & spirits sector remains a staple of the duty free & travel retail offer, but has considerable potential to grow, as this TFWA Category Report suggests. The full study, along with all reports in the series, is available free of charge to TFWA members on the Association's website, TFWA.com.

Profiling the alcohol shopper



29%



71%

Adults
under 40

57%

Average
number
of product
categories
visited

1.8

Average
number
of product
categories
purchased

1.3



Average spend
on category

US\$78

ALL SHOPPERS



44%



56%

Adults
under 40

61%

Average
number
of product
categories
visited

1.5

Average
number
of product
categories
purchased

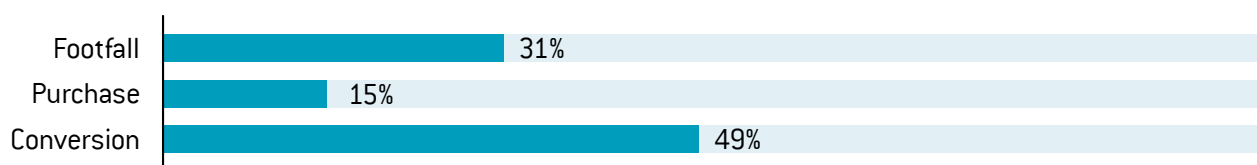
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Average spend
on all retail

US\$140

KEY MEASURES



SUB-CATEGORIES VISITED AND PURCHASED

Average
spend on
spirits**US\$65**Average
spend on
wine and
champagne**US\$129**

POPULAR SUB-CATEGORIES

Most visited



Spirits

76%

Most purchased



Whisky/Whiskey

20%

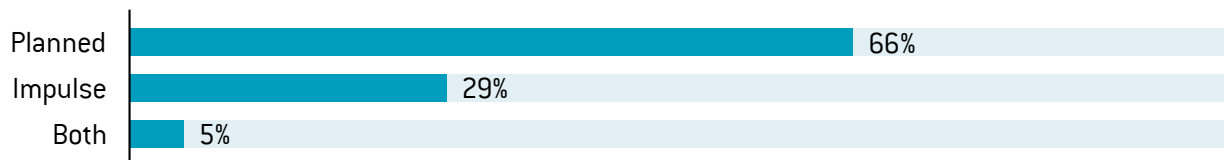
Strongest conversion



Whisky/Whiskey

45%

HOW THEY BUY



*77% of planners knew the brand or product they would purchase

WHO THEY BUY FOR (*Average spend)

Self
62%
US\$79*Gift
27%
US\$63*Request
11%
US\$53*

WHO GIFT BUYERS BUY FOR



Source: TFWA Category Reports Series/Counter Intelligence Retail

CATEGORY REPORT: TOBACCO

The TFWA Category Report Series confirmed many of the accepted views of the tobacco sector in duty free & travel retail: it is a driver of footfall to other categories, and a highly planned purchase with a high rate of conversion. But there are plenty of other insights besides, as readers of the full study, available on TFWA.com, will discover.

Profiling the tobacco shopper



31%



69%

Adults
under 40

57%

Average
number
of product
categories
visited

1.8

Average
number
of product
categories
purchased

1.4



Average spend
on category

US\$69

ALL SHOPPERS



44%



56%

Adults
under 40

61%

Average
number
of product
categories
visited

1.5

Average
number
of product
categories
purchased

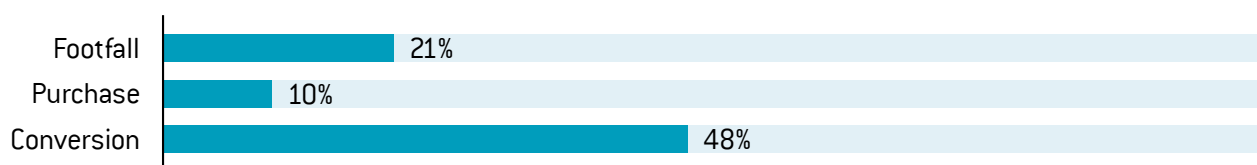
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Average spend
on all retail

US\$140

KEY MEASURES



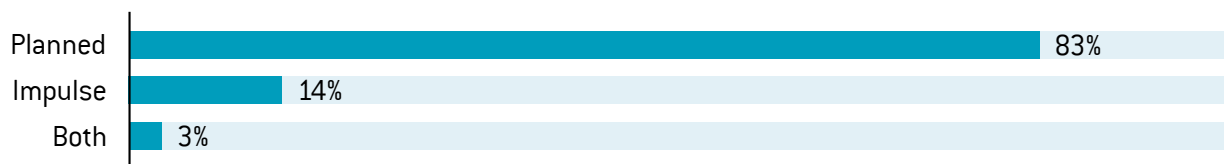
SUB-CATEGORIES VISITED AND PURCHASED



REASONS TO SHOP



HOW THEY BUY

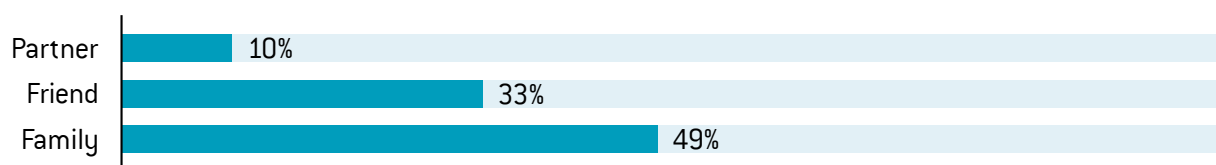


*85% of planners knew the brand or product they would purchase

WHO THEY BUY FOR (*Average spend)



WHO GIFT BUYERS BUY FOR



Source: TFWA Category Reports Series/Counter Intelligence Retail

CATEGORY REPORT: CONFECTIONERY

Confectionery provides a point of attraction and theatre in duty free and travel retail stores worldwide. The TFWA Category Reports Series suggests that shoppers in this sector also visit and spend in other categories, making confectionery an important driver of footfall and conversion. The full study, along with all reports in the series, is available free of charge to TFWA members on the Association's website, TFWA.com.

Profiling the confectionery shopper



49%



51%

Adults
under 40

64%

Average
number
of product
categories
visited

1.9

Average
number
of product
categories
purchased

1.4



Average spend
on category

US\$25

ALL SHOPPERS



44%



56%

Adults
under 40

61%

Average
number
of product
categories
visited

1.5

Average
number
of product
categories
purchased

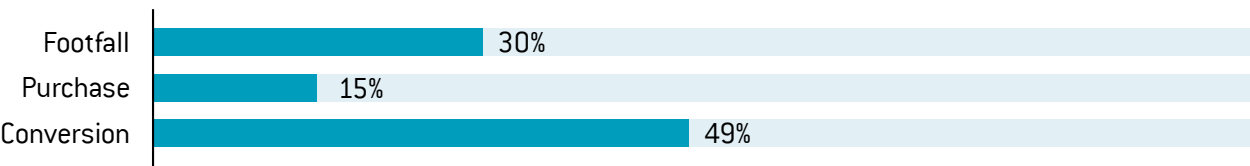
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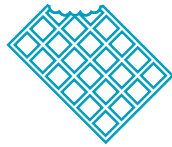
Average spend
on all retail

US\$140

KEY MEASURES



SUB-CATEGORIES VISITED AND PURCHASED



Average
spend on
chocolate

US\$29



Average
spend on
other food

US\$16

REASONS TO SHOP

Had time



38%

Looking for a gift



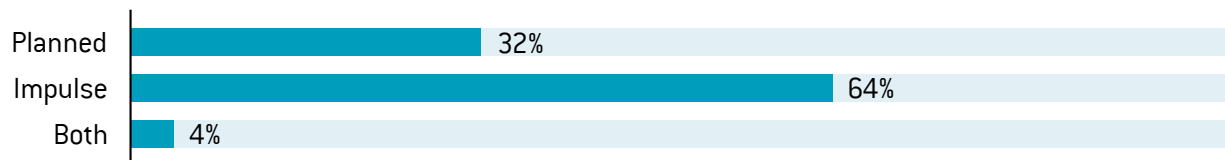
35%

Browse maybe buy



32%

HOW THEY BUY



*53% of planners knew the brand or product they would purchase

WHO THEY BUY FOR (*Average spend)



Self
61%
US\$21*

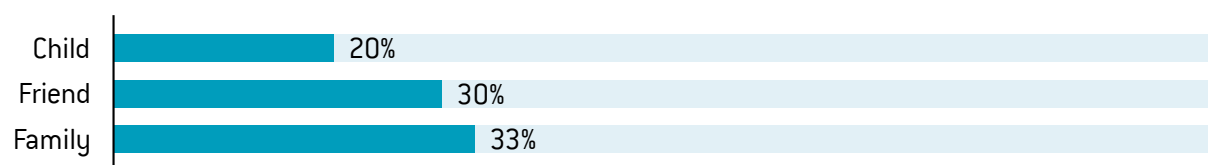


Gift
36%
US\$24*



Request
3%
Sample size
too small

WHO GIFT BUYERS BUY FOR



Source: TFWA Category Reports Series/Counter Intelligence Retail

CATEGORY REPORT: FASHION & ACCESSORIES

The fashion & accessories category has more than doubled in size in duty free & travel retail over the past decade. According to the TFWA Category Reports Series, the sector enjoys broad appeal across genders and age groups, with very high levels of impulse purchasing. But there remains considerable room for improvement in footfall and conversion. The full study, along with all reports in the series, is available free of charge to TFWA members on the Association's website, TFWA.com.

Profiling the fashion & accessories shopper



53%



47%

Adults
under 40

64%

Average
number
of product
categories
visited

2.1

Average
number
of product
categories
purchased

1.4



Average spend
on category

US\$192

ALL SHOPPERS



44%



56%

Adults
under 40

61%

Average
number
of product
categories
visited

1.5

Average
number
of product
categories
purchased

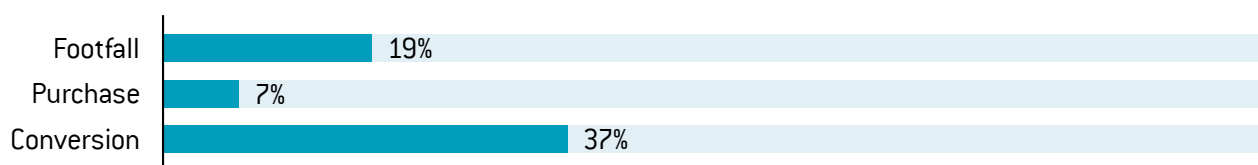
1.2



Average spend
on all retail

US\$140

KEY MEASURES



SUB-CATEGORIES VISITED AND PURCHASED

Average
spend on
fashion**US\$143**Average
spend on
accessories**US\$236**

POPULAR SUB-CATEGORIES

Most visited



handbags

33%

Most purchased



sunglasses

8%

Strongest conversion



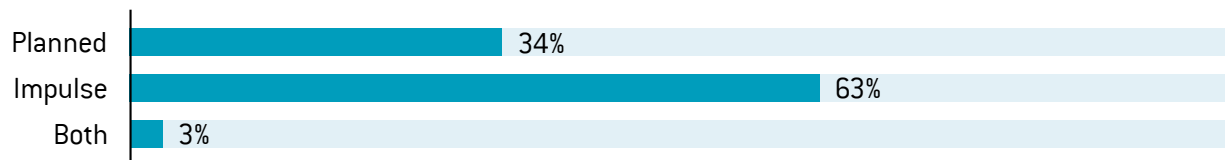
shoes

26%

men's clothing

26%

HOW THEY BUY

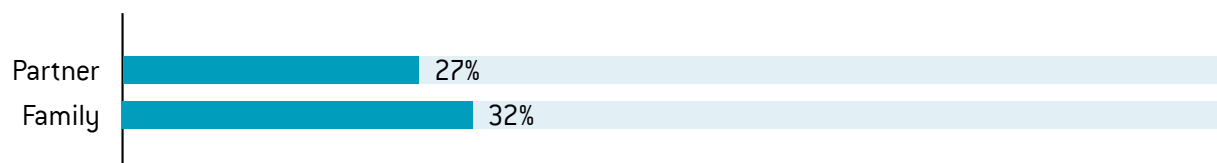


*55% of planners knew the brand or product they would purchase

WHO THEY BUY FOR (*Average spend)

Self
71%
US\$235*Gift
27%
US\$171*Request
2%
Sample size
too small

WHO GIFT BUYERS BUY FOR



Source: TFWA Category Reports Series/Counter Intelligence Retail

CATEGORY REPORT: WATCHES & JEWELLERY

According to the latest sales data from Generation Research, the watches & jewellery category has been under severe pressure recently. However the TFWA Category Reports Series confirms the sector's broad appeal, both as a planned and an impulse purchase. And importantly, research suggests that the watches & jewellery category is an important driver of footfall to other product sectors. The full study, along with all reports in the series, is available free of charge to TFWA members on the Association's website, TFWA.com.

Profiling the watches & jewellery shopper



43%



57%

Adults
under 40

66%

Average
number
of product
categories
visited

2.1

Average
number
of product
categories
purchased

1.2



Average spend
on category

US\$497

ALL SHOPPERS



44%



56%

Adults
under 40

61%

Average
number
of product
categories
visited

1.5

Average
number
of product
categories
purchased

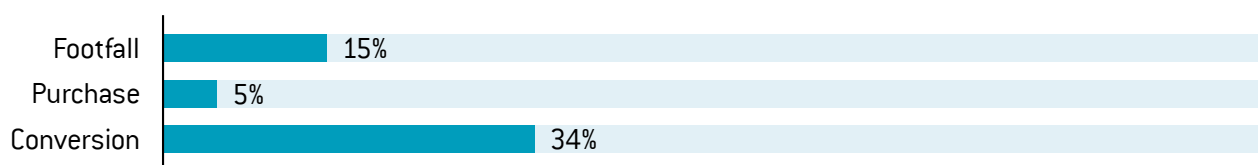
1.2



Average spend
on all retail

US\$140

KEY MEASURES



SUB-CATEGORIES VISITED AND PURCHASED



Average
spend on
watches

US\$561



Average
spend on
jewellery

US\$428

POPULAR SUB-CATEGORIES

Most visited



Watches

69%

Most purchased



Watches

19%

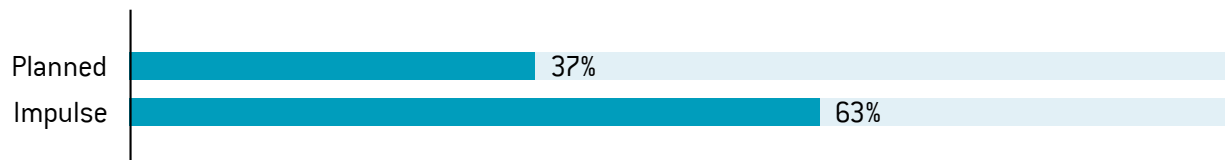
Strongest conversion



Jewellery

36%

HOW THEY BUY



*60% of planners knew the brand or product they would purchase

WHO THEY BUY FOR (*Average spend)



Self
51%
US\$638*

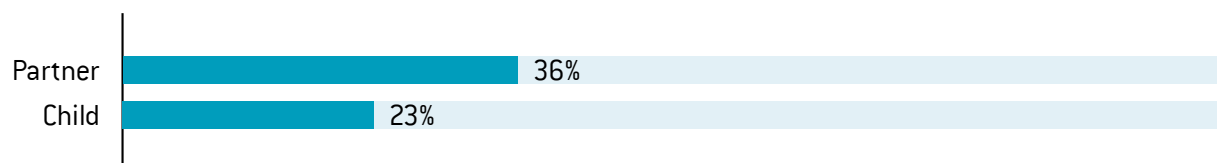


Gift
46%
US\$360*



Request
3%
Sample size
too small

WHO GIFT BUYERS BUY FOR



Source: TFWA Category Reports Series/Counter Intelligence Retail