

Role of Sustainability among Travel Retail shoppers in Asia Pacific

TFWA AsPac Conference
Singapore, May 2022





Overall post pandemic TR shopping behavior

TFWA AsPac Conference - Singapore, May 2022

Background & Methodology



RESEARCH OBJECTIVE

Obtain a deep understanding of the **shopper's path to purchase**, from **pre-trip** information search to **in-store shopping behavior** and **actual basket**.

■ DATA COLLECTION

- m1nd-set's **B1S tracking survey**

Current sample of over 150,000 respondents.

Covering the main regions, categories and sub-categories, and on-going since early 2016.

■ TARGET GROUP

- Male & Female **over 18 years old**
- Have **travelled internationally by air**
- Have visited DF shops in **AsiaPacific**



ONGOING INTERVIEWING (monthly when possible but at least quarterly, to fully capture seasonality aspects).



CROSS-CATEGORY The first part of the survey covers generic aspects, the second part is category based (for each category visited / purchased by respondents).



15 MINUTES questionnaire on average



TRANSLATED into the 10 top languages

PURCHASE MISSIONS IN ASPAC



OWN
CONSUMPTION



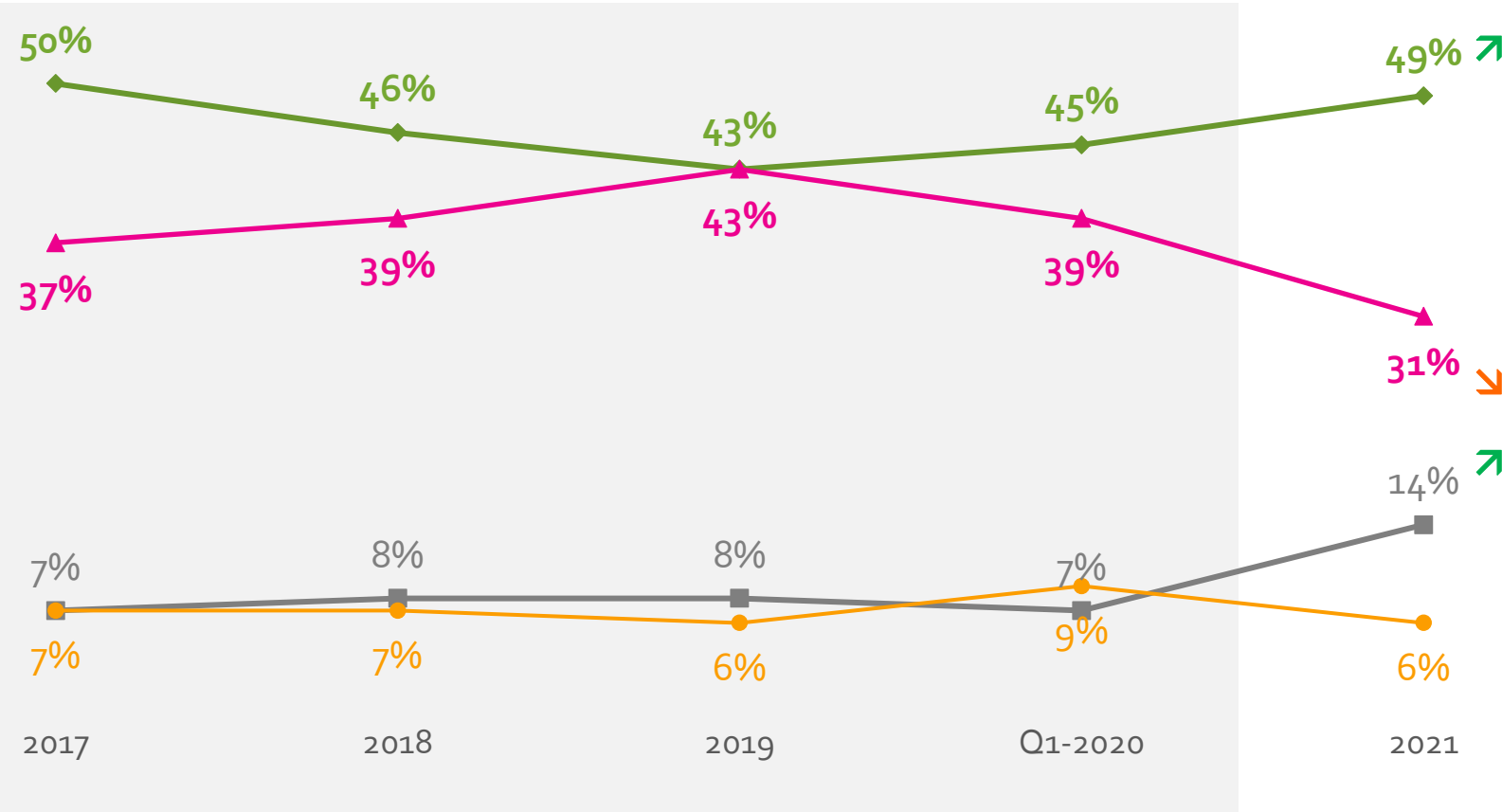
GIFTING



SHARING



ON
REQUEST



Q1	Q2	Q3	Q4
50%	49%	47%	48%

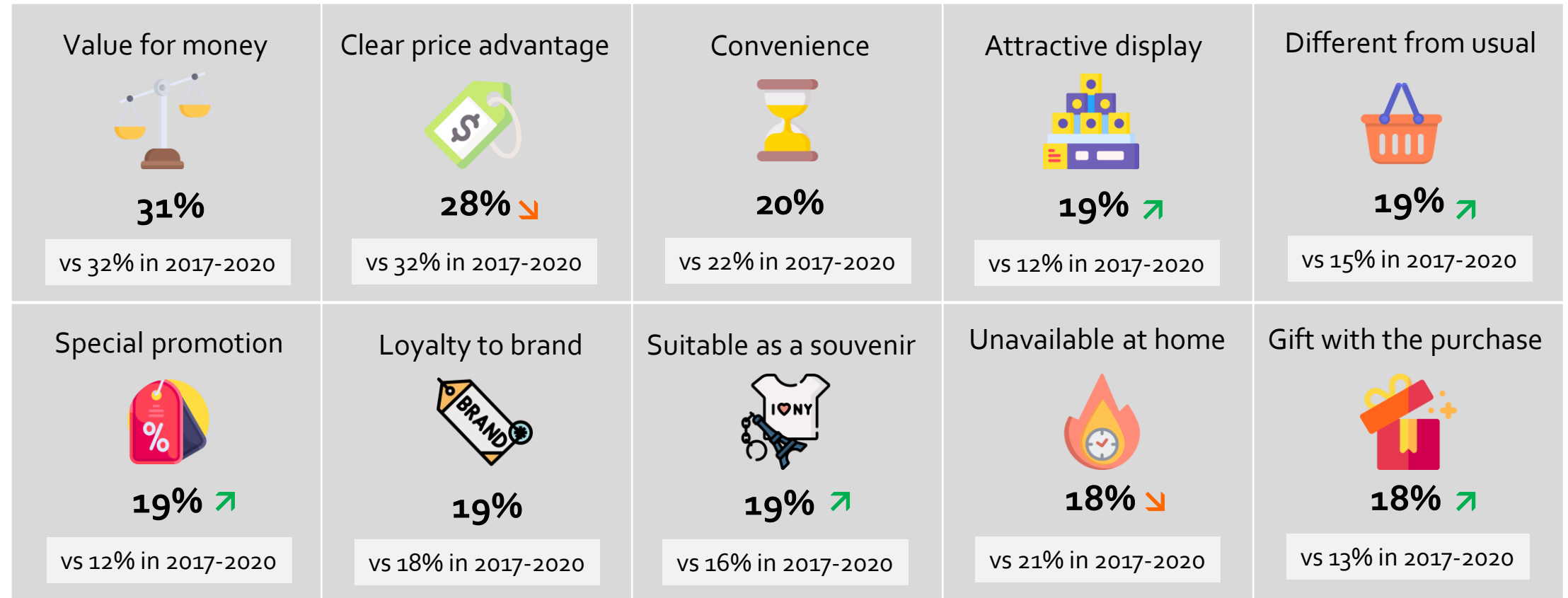
Q1	Q2	Q3	Q4
30%	33%	43%	28%

Q1	Q2	Q3	Q4
13%	13%	7%	17%

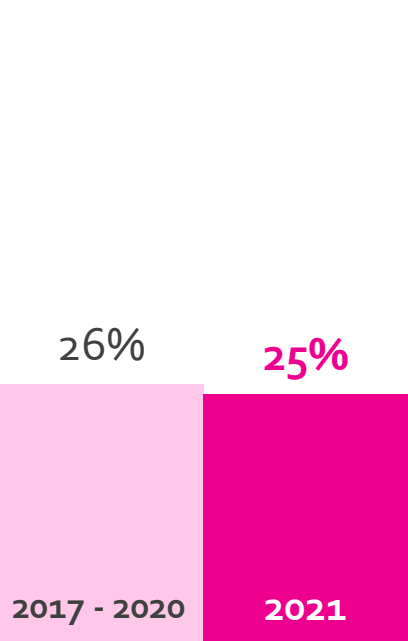
Q1	Q2	Q3	Q4
6%	6%	3%	7%

↑ ↓ Indicate significantly higher / lower vs the pre covid-19 2017-2020

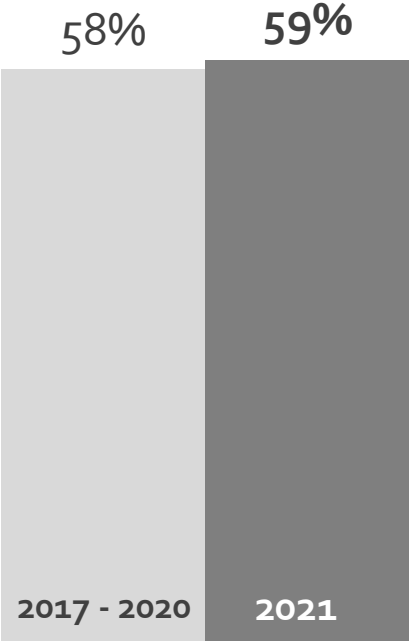
TOP 10 DRIVERS OF PURCHASES AFTER THE PANDEMIC



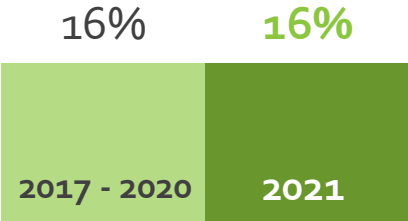
PLANNING LEVEL OF PURCHASES



Specific Planners



Undecided Planners



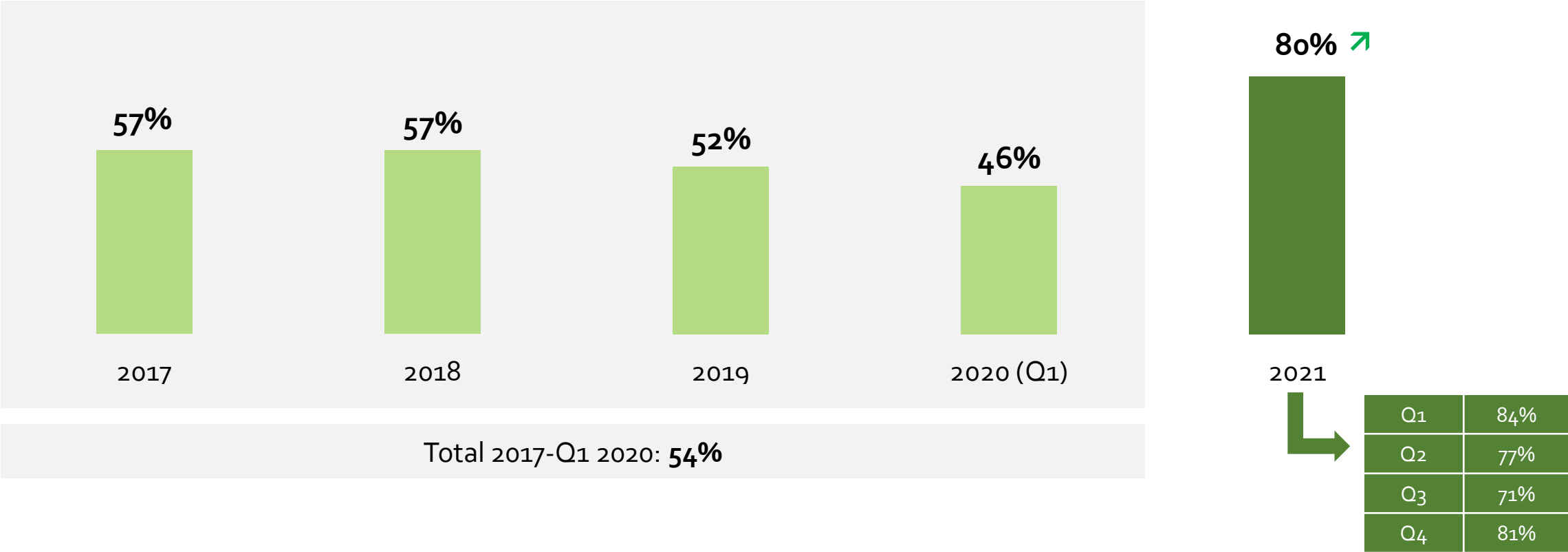
Impulse Buyers

↓

Q1	Q2	Q3	Q4
16%	15%	18%	17%

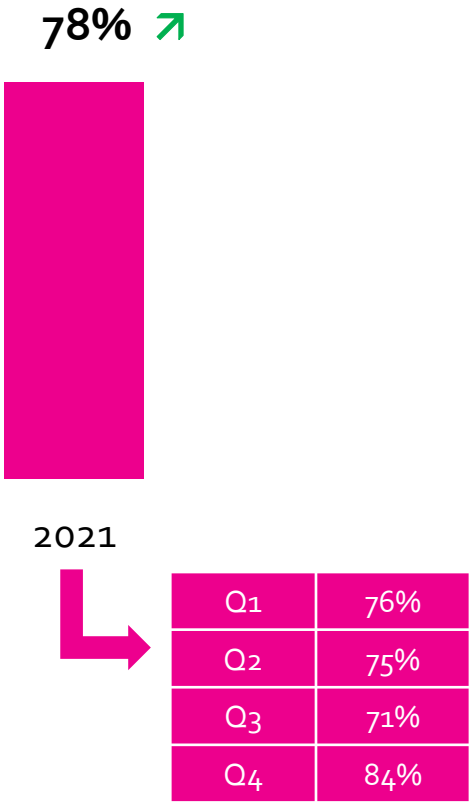
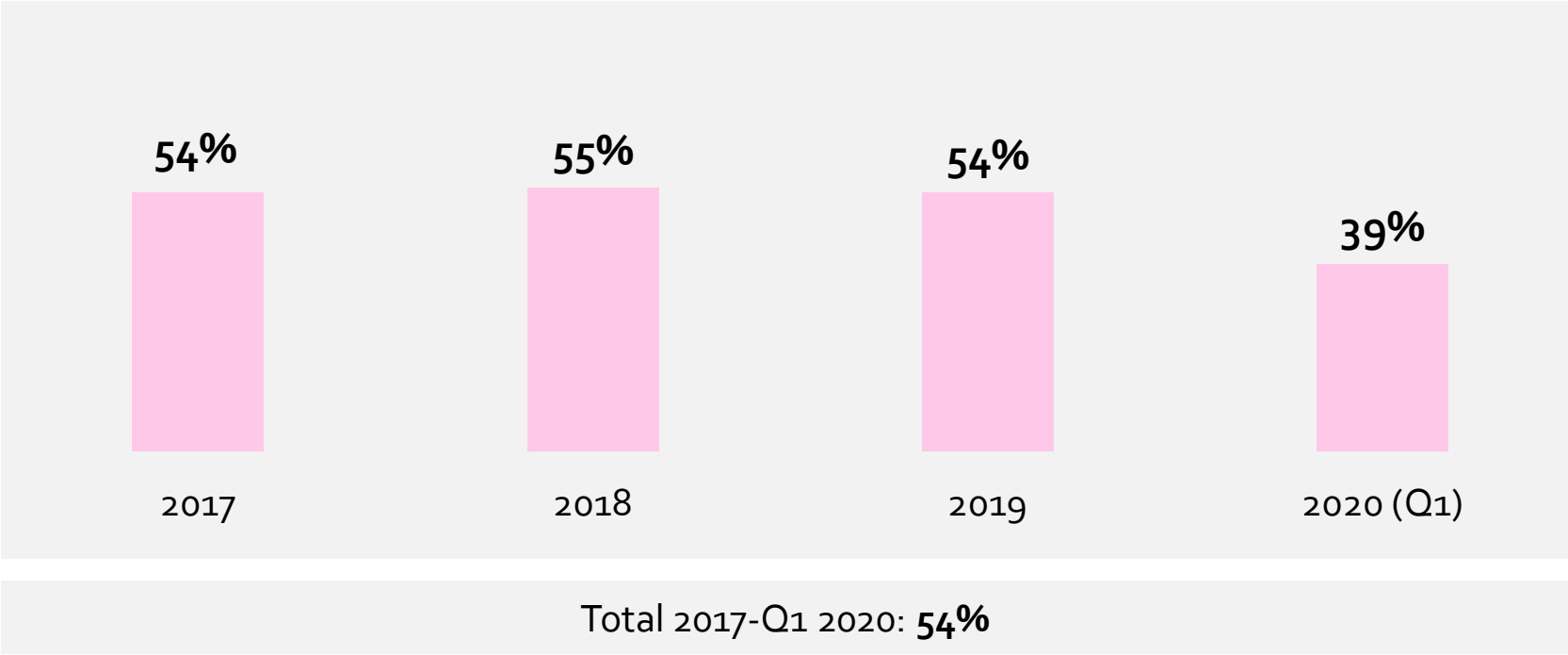
INTERACTION WITH SALES STAFF

Of note: the increase in staff interaction in Q1 & Q2 2021 could be linked to a **different dynamic in the stores**: there are **fewer travellers**, which means that **staff is more available** (increasing proactivity of the staff, but also likelihood that travellers will approach a sales person).



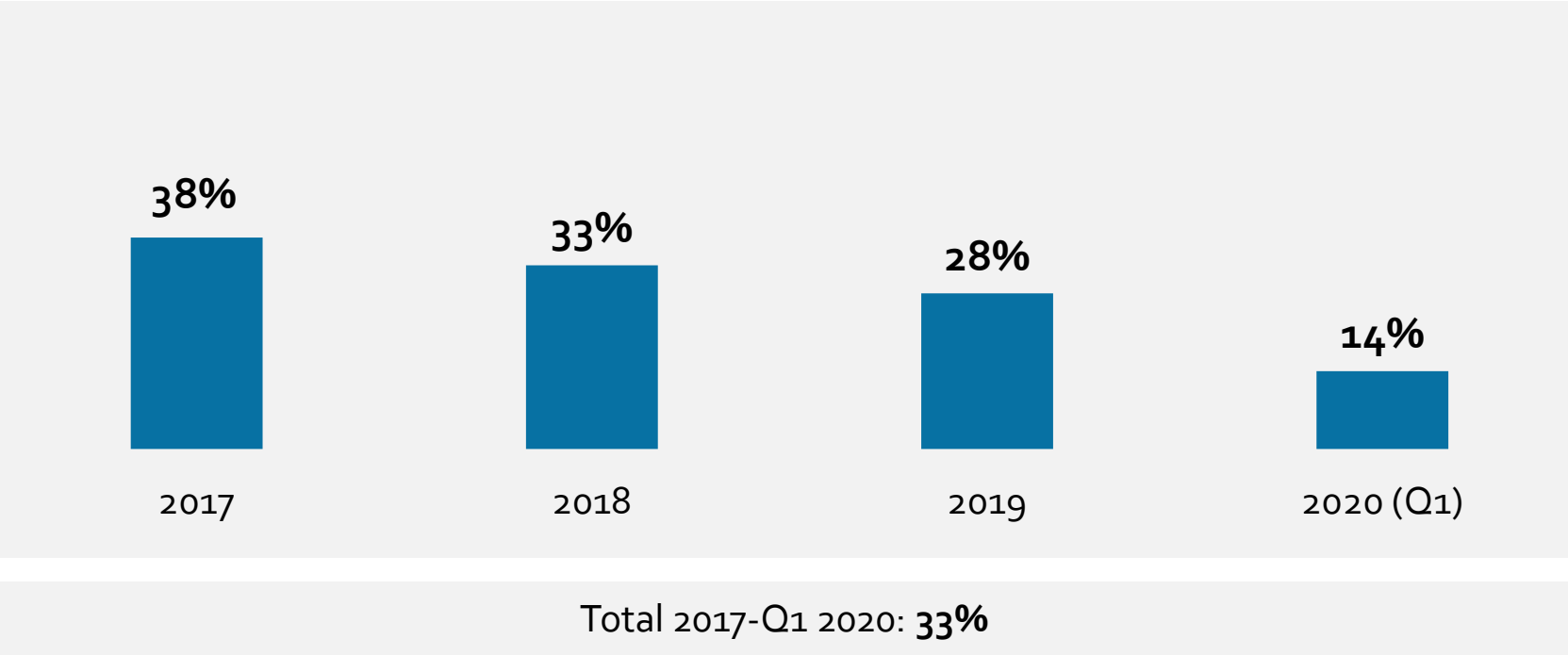
Indicate significantly higher / lower vs the pre covid-19 2017-2020

INFLUENCE OF SALES STAFF ON DECISION TO PURCHASE



Indicate significantly higher / lower vs the pre covid-19 2017-2020

NOTICING TOUCH POINTS BEFORE SHOPPING



72%



2021



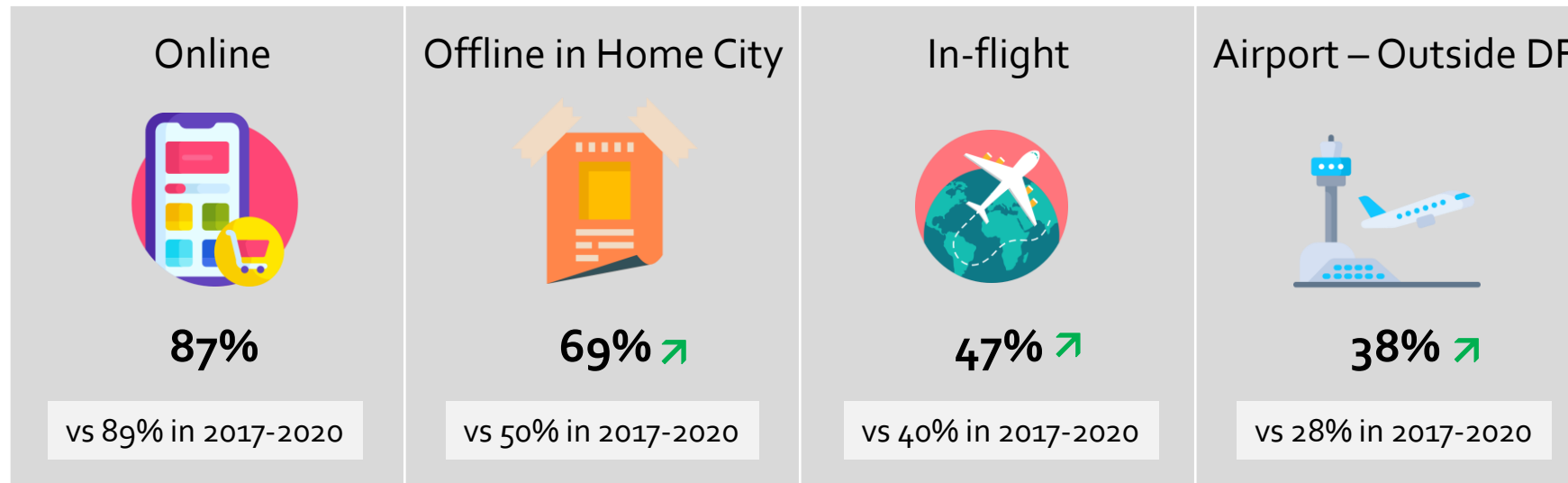
Q1	77%
Q2	66%
Q3	60%
Q4	77%



Indicate significantly higher / lower vs the pre covid-19 2017-2020

TOP MOMENTS OF EXPOSURE TO TOUCH POINTS POST PANDEMIC

Amongst those exposed to touch points



Indicate significantly higher / lower vs the pre covid-19 2017-2020



Overall importance of Sustainability in the lives of Travel Retail shoppers in AsPac

TFWA AsPac Conference - Singapore, May 2022

m1ndset
RESEARCH BEYOND BORDERS



RESEARCH OBJECTIVES

Given the **increased importance of sustainability** among Travel Retail shoppers, m1nd-set launched a new research which will allows Travel Retail stakeholders to obtain a **better understanding** of what **sustainability** means for shoppers and the **impact** it can have on their **purchasing behavior**.

■ DATA COLLECTION

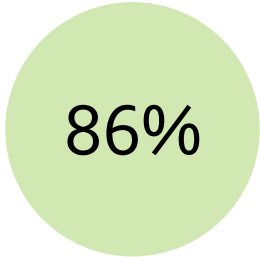
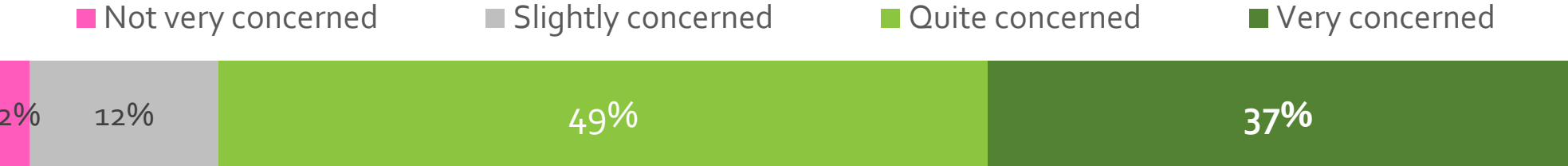
- **Online quantitative interviews** using m1nd-set's unique database of international travelers.
- Fieldwork conducted in **Q1, 2022**.

■ TARGET GROUP

- Live in **Asia / Pacific**
- Male & Female **over 18 years old**
- Have **travelled internationally by air** in the **last 6 months**
- Are **regular DF shoppers**

OVERALL CONCERNS ABOUT LIVING IN A SUSTAINABLE WAY TODAY AND VS TWO YEARS AGO

Top 2 Boxes

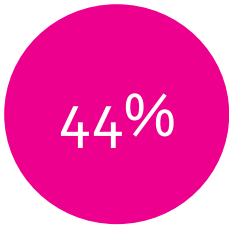
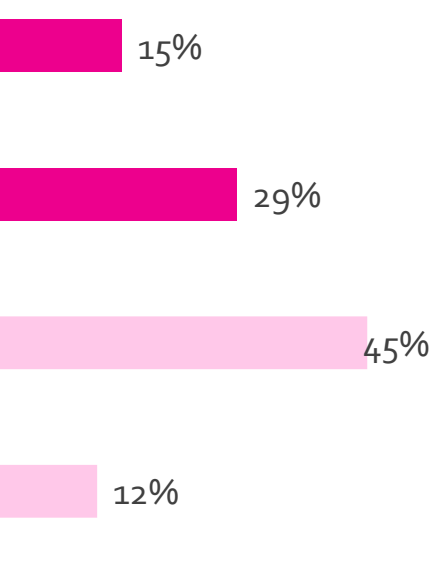


Much more concerned than 2 years ago

Slightly more concerned than 2 years ago

Equally concerned than 2 years ago

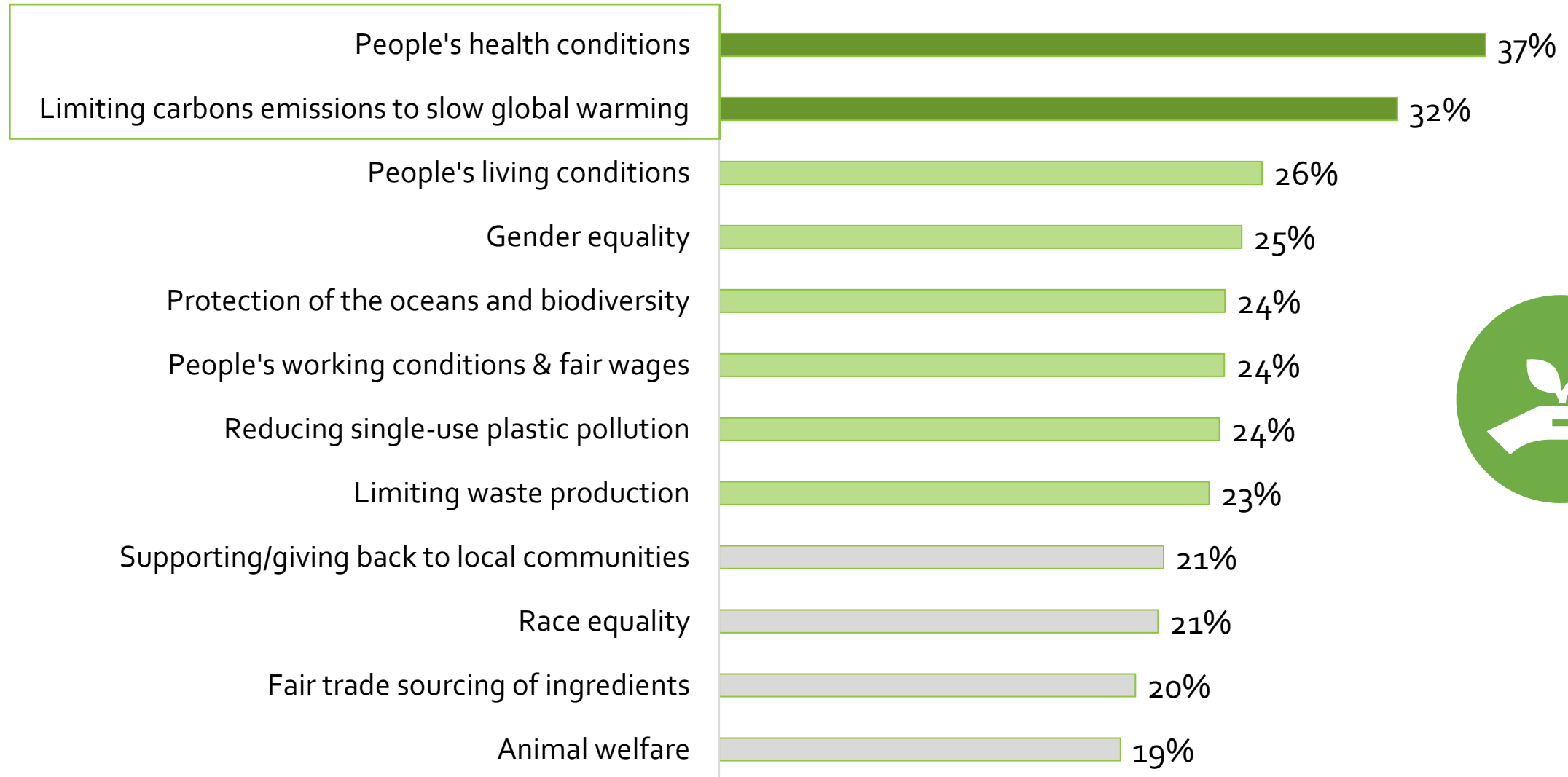
Less concerned than 2 years ago



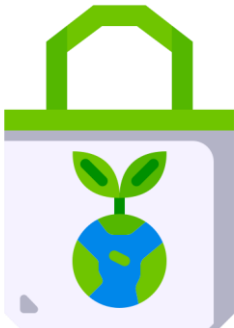
MORE CONCERNED
VS 2 YEARS AGO

IMPORTANT AREAS WHEN THINKING ABOUT SUSTAINABILITY

% who mention it as **one of the top 3 areas**



CONCERNS ABOUT SHOPPING IN A SUSTAINABLE WAY



Top 2 Boxes



TRAVEL RETAIL SHOPPER NATIONALITIES WITH THE HIGHEST CONCERN ABOUT SUSTAINABILITY.

1. New Zealand
2. Australia
3. Singapore
4. Japan
5. South Korea





Sustainability in Travel Retail Shopping in AsPac

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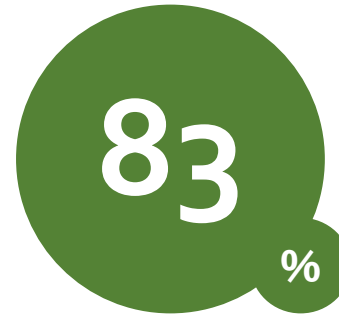
SUSTAINABILITY AS A KEY FACTOR WHEN CHOOSING PRODUCTS IN DUTY FREE STORES

% who mention it as one of the top 3 factors



➤ **14%**
Mention it as the #1 most considered factor

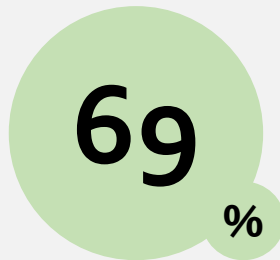
EXPECTATIONS ABOUT SUSTAINABLE OFFERINGS WHEN SHOPPING IN DF SHOPS



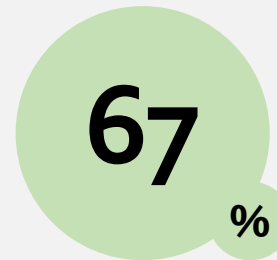
of DF shoppers expect to find a **space dedicated to sustainable products** in DF shops



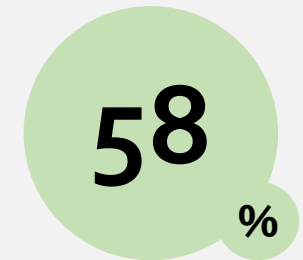
They find it particularly important that brands **offer the following type of products:**



Products with eco-friendly
ingredients



Products with eco-friendly
packaging



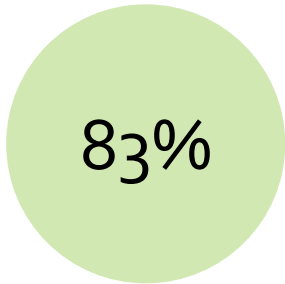
Products with eco-friendly
production processes

IMPORTANCE OF SUSTAINABILITY WHEN BUYING PRODUCTS IN DF AND
LIKELIHOOD TO SPECIFICALLY LOOK FOR SUSTAINABLE PRODUCTS

■ Not important at all ■ Not very important ■ Somewhat important ■ Quite important ■ Very important



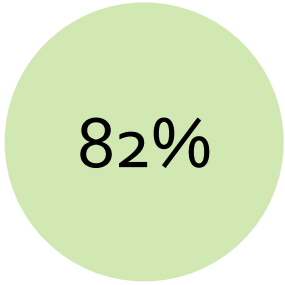
Top 2 Boxes



■ Not likely at all ■ Not very likely ■ Somewhat likely ■ Quite likely ■ Very likely



Top 2 Boxes



REASONS TO LOOK FOR SUSTAINABLE PRODUCTS IN DF SHOPS

Sustainable products
are good for my
health an well-being



47%

Pay attention to
buying sustainable
products in general



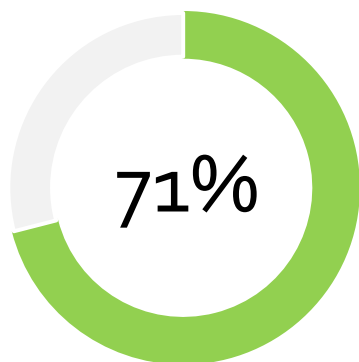
31%

In the mood for it/
offset the carbon
footprint of my flight

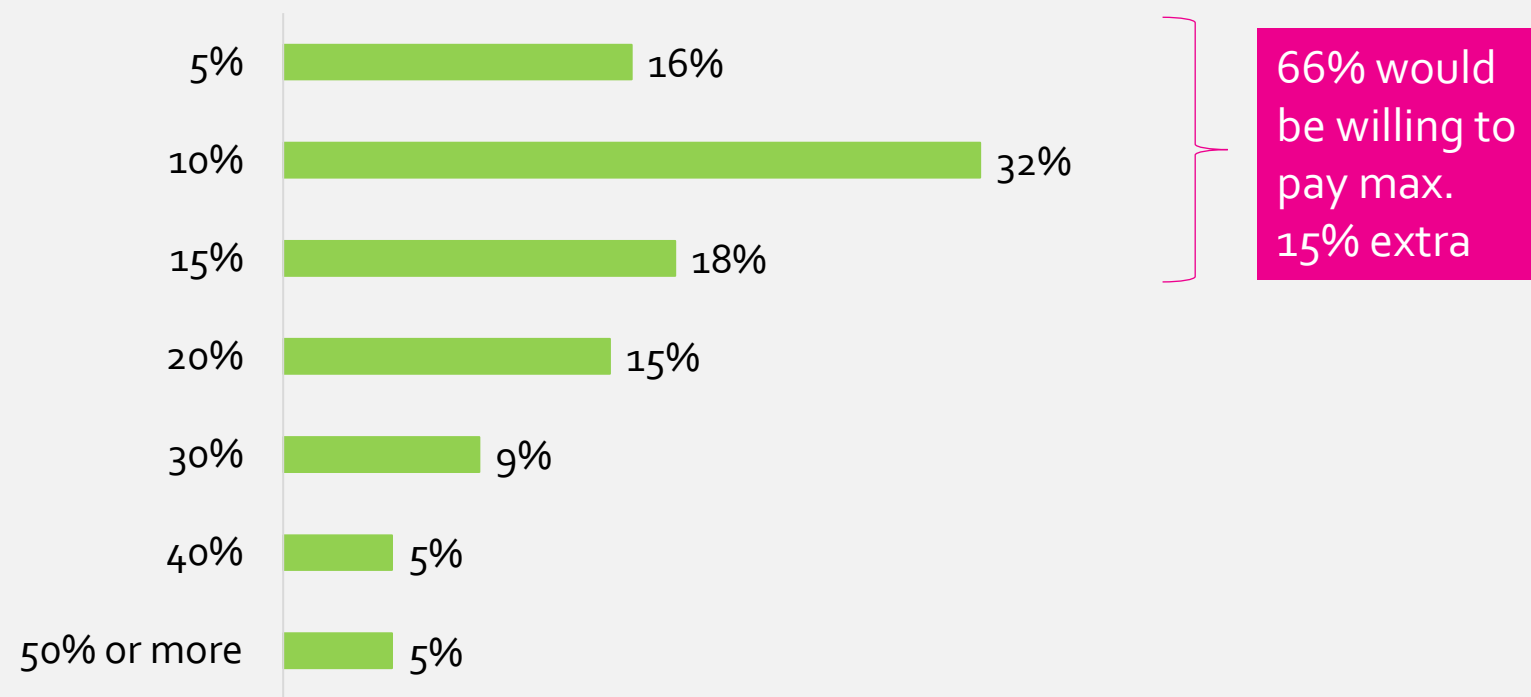


22%

WILLING TO PAY MORE FOR A SUSTAINABLE PRODUCT IN DUTY FREE



ACCEPTABLE PRICE INCREASE FOR SUSTAINABLE PRODUCTS



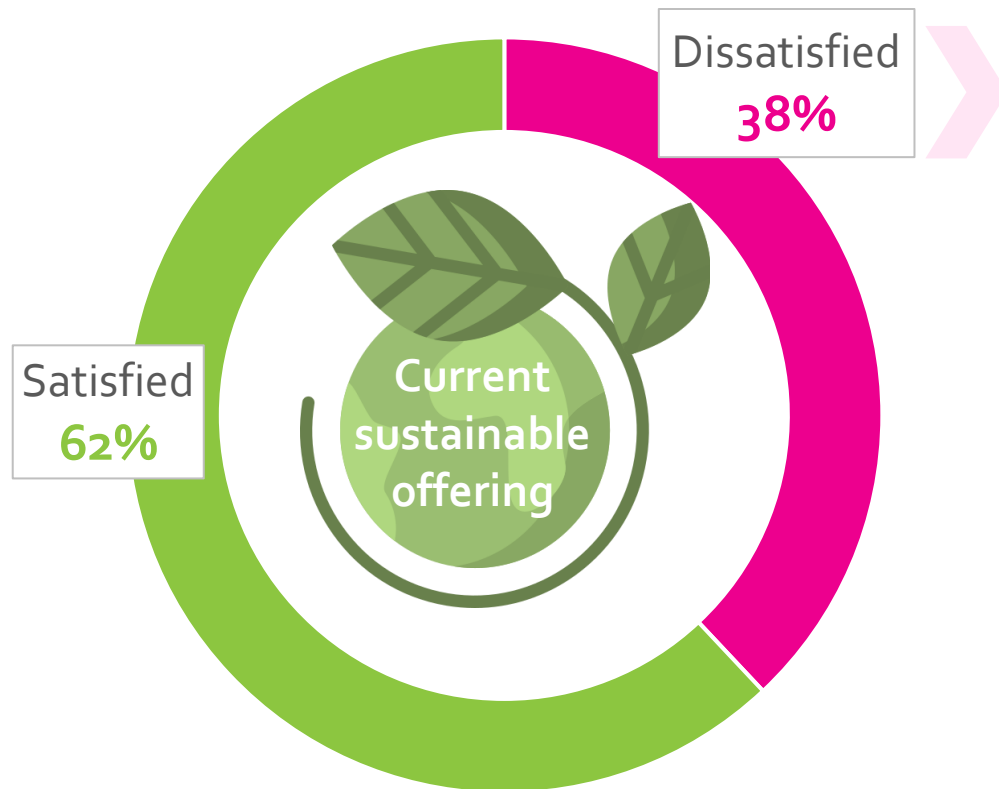
ATTENTION SHIFT TOWARDS SUSTAINABILITY AFTER THE PANDEMIC

81% would like to see **less wasteful packaging** in Duty Free shops

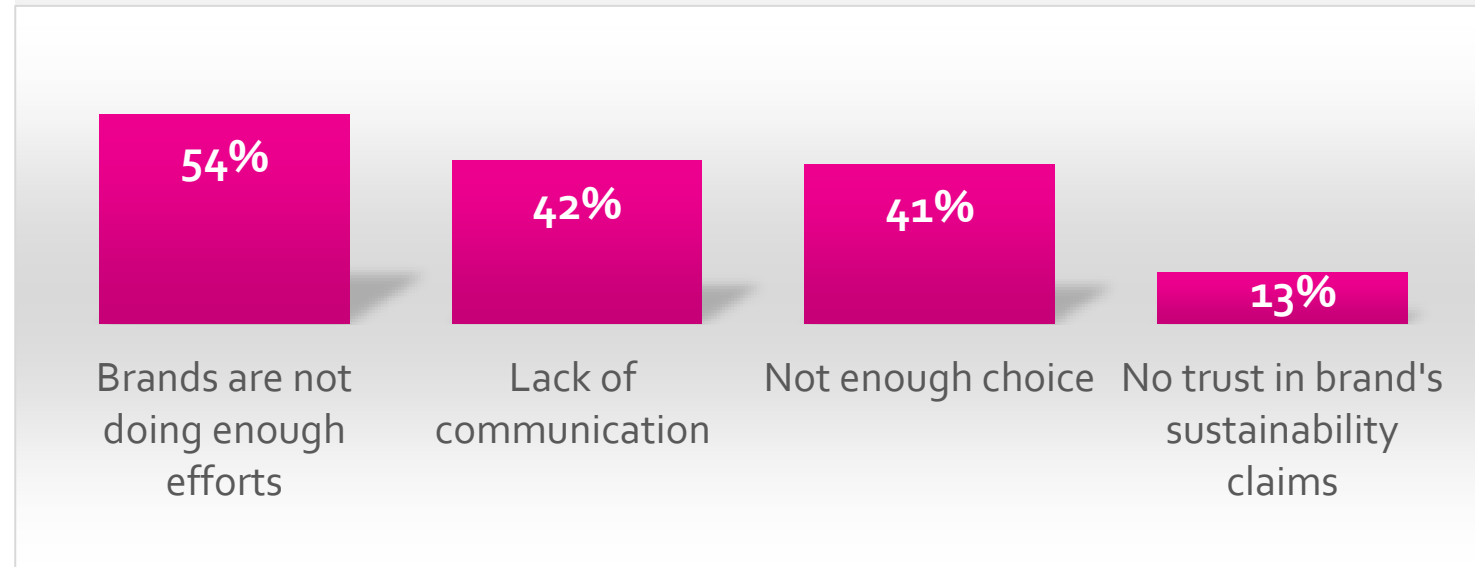
69% would like to see more **local products** in Duty Free shops due to Sustainability



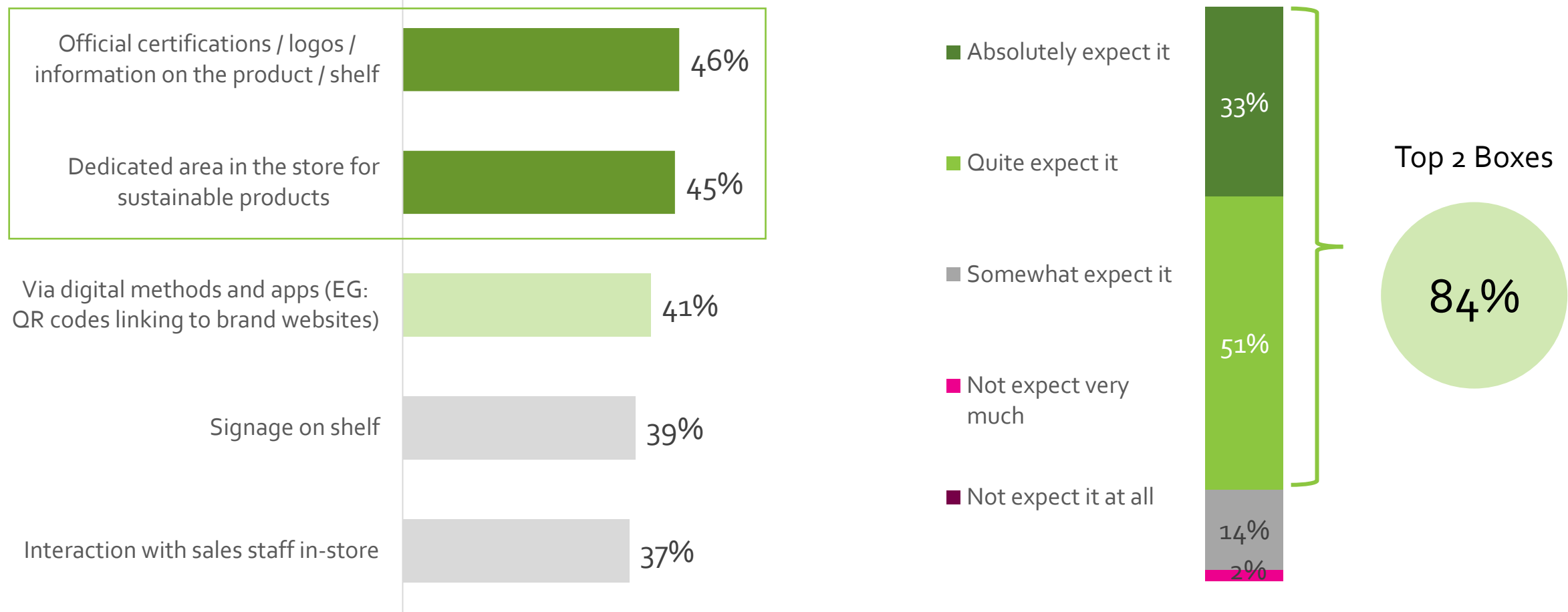
SATISFACTION WITH CURRENT OFFER OF SUSTAINABLE PRODUCTS IN DF SHOPS



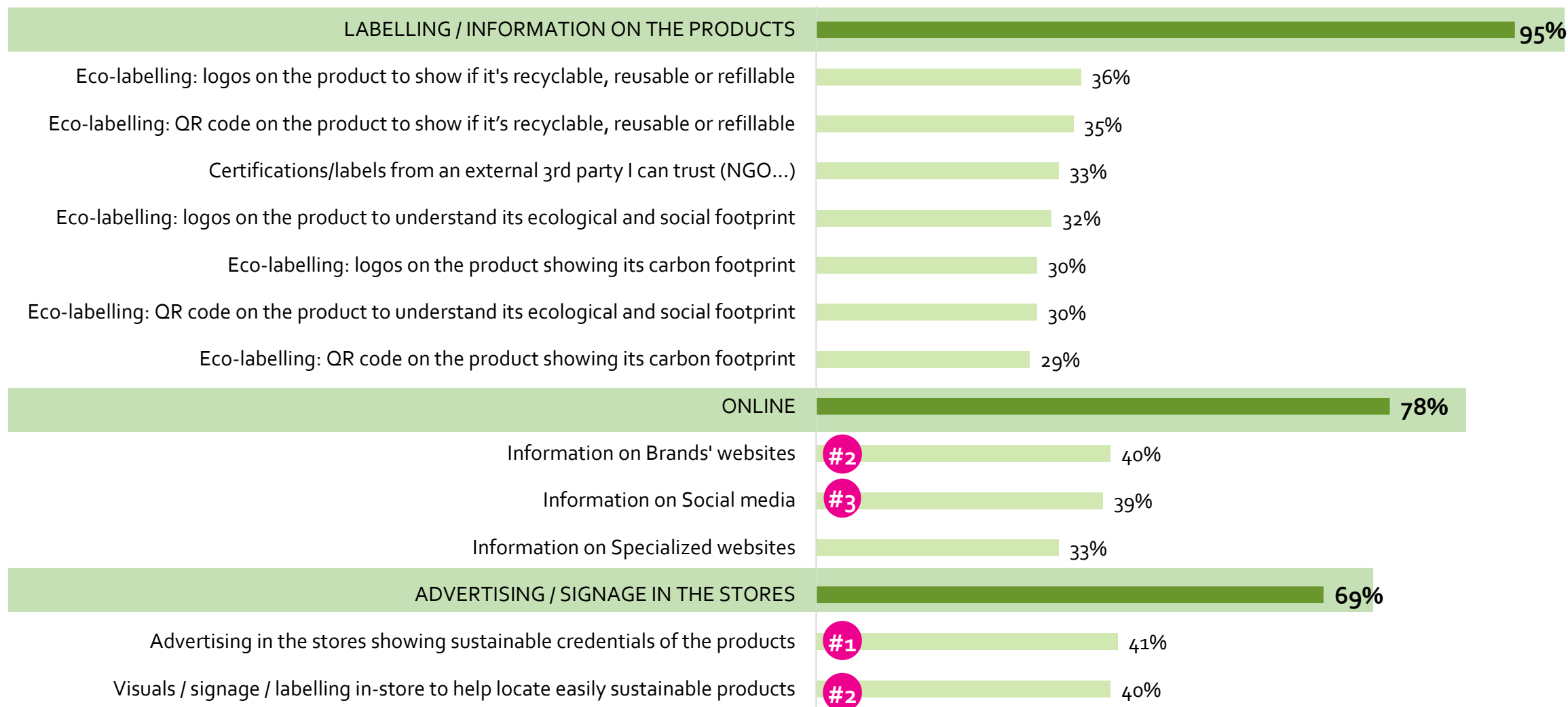
Reasons for dissatisfaction



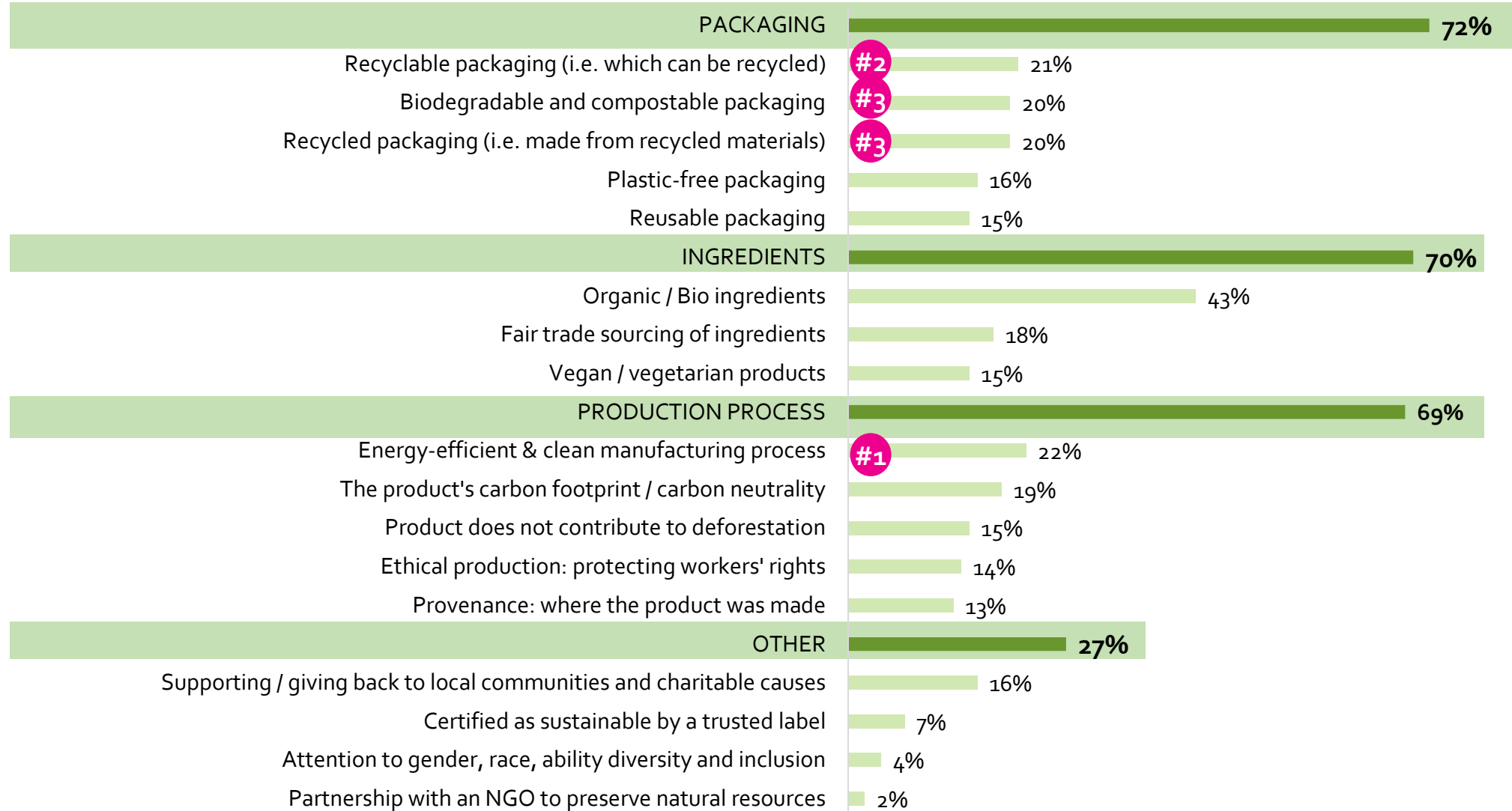
PREFERRED WAYS TO RECEIVE INFORMATION ABOUT PRODUCTS' SUSTAINABILITY IN DF & EXPECTATIONS ABOUT CERTIFIED SUSTAINABLE PRODUCTS



SOURCES OF INFORMATION USED TO SEARCH ABOUT A BRAND'S SUSTAINABILITY



ASPECTS WHICH WOULD MOTIVATE A PURCHASE IN DUTY FREE



IMPORTANCE OF IN-STORE ELEMENTS TO COMMUNICATE ABOUT SUSTAINABILITY TO TR SHOPPERS

Advertising in the store
showing sustainable
credentials of the products

41%



Visuals / signage in-store to
help locate easily sustainable
products

40%



Information on
Brand's websites

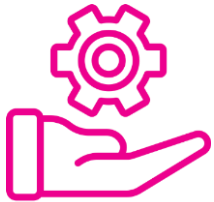
40%



IN-STORE INFORMATION SOURCES

AREAS OF IMPROVEMENTS FOR BRANDS TO BECOME MORE SUSTAINABLE

Areas where **improvements** can be made



Manufacturing
process

51%



Ingredients used

46%



Fair-trade sourcing
of ingredients

42%



Packaging

37%



Promotional
materials used in-
store

42%



Giving back to local
communities

42%

Thank You!

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