m1ndset
RESEARCH BEYOND BORDERS

Travel Retail Outlook 2017 – H1 2022

July 2022

Air Traffic / m1nd-set's b1s

In partnership with IATA

Methodology note

BUSINESS
1NTELLIGENCE
SERVICE

EXCLUSIVE M1ND-SET & IATA PARTNERSHIP

MORE ACCURATE DATA, ALLOWING BETTER AND MORE PRECISE INSIGHTS-BASED DECISION-MAKING

DIRECT
DATA SOLUTIONS

Through m1nd-set's **b1s platform**, IATA made available to the Travel Retail industry air traffic data part of their **DDS database**. The DDS database is the **most comprehensive** repository of **airline sales** and **traffic data** available.

What does the DDS database contain?

WEBLINK DATA
Settlement data for direct bookings that involve two or more airlines (feeder flights, code-share, disrupted flights, etc.)

GDS/BSP DATA
All travel agencies (incl. online) bookings

DIRECT BOOKINGS SHARING
90% of airlines share their direct bookings

DDS includes **airlines' direct ticket sales**

(in addition to GDS data, which is used by all other providers)

The **coverage** of the actual **global traffic increases** from approx. 45% to **90%** (*)

(*) compared to the coverage if only GDS data is included

Fewer estimations are needed
&
the data is **not biased** as it is when focusing only on GDS
(booking systems)

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TOP 10 Airports in Q1 2022 vs Q1 2023 (INTERNATIONAL TRAFFIC)

Q1 2022

		% of Departures
#1	DXB – Dubai	3.8%
#2	AMS - Amsterdam	2.5%
#3	LHR – London Heathrow	2.4%
#4	CDG – Paris De Gaulle	2.3%
#5	IST – Istanbul	2.1%
#6	DOH - Doha	1.9%
#7	FRA - Frankfurt	1.8%
#8	MAD - Madrid	1.7%
#9	CUN - Cancun	1.3%
#10	JFK – New York	1.2%

Next 6 months

		% of Departures
#1	DXB – Dubai	3.3%
#2	IST – Istanbul	2.5%
#3	AMS - Amsterdam	2.4%
#4	CDG – Paris De Gaulle	2.1%
#5	FRA - Frankfurt	2.1%
#6	LHR – London Heathrow	2%
#7	MAD - Madrid	1.6%
#8	DOH - Doha	1.3%
#9	ORY – Paris Orly	1.1%
#10	MIA - Miami	1.1%

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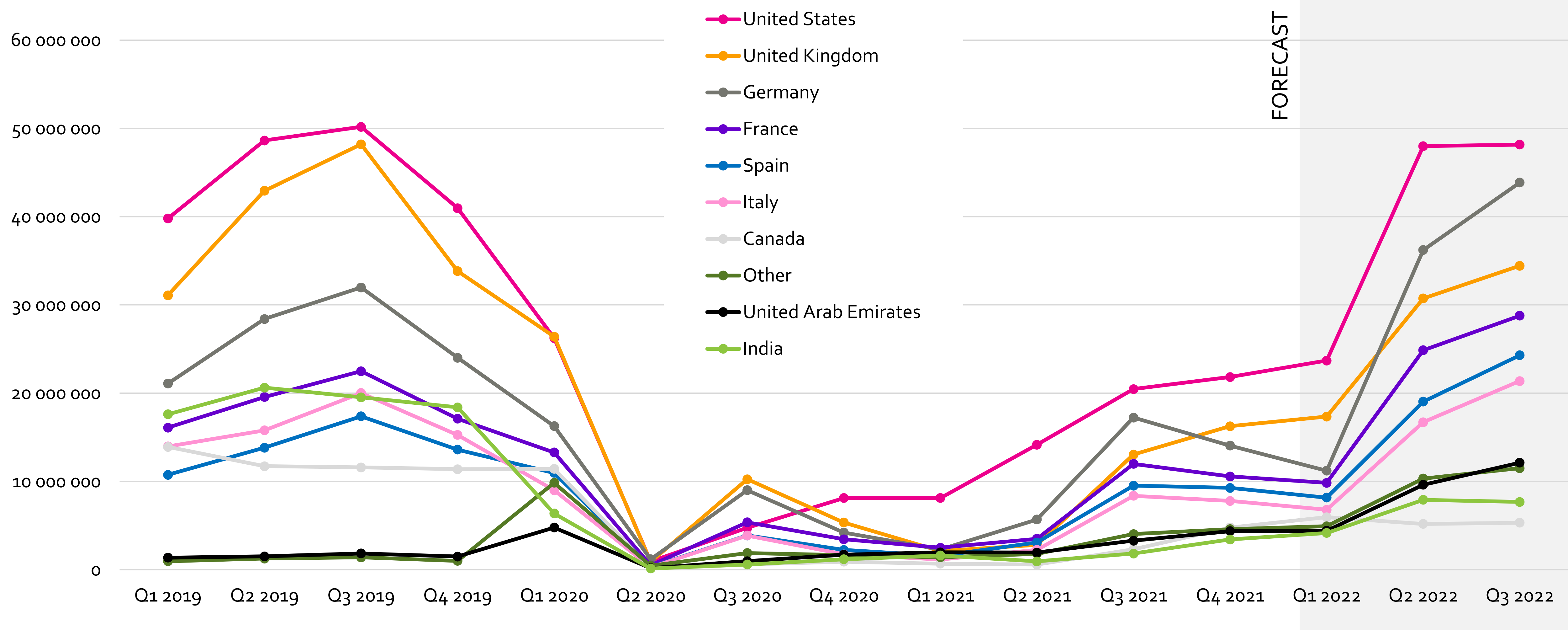
Source: m1nd-set B1S / IATA DDS

GLOBAL INTERNATIONAL DEPARTURES – TOP 10 NATIONALITIES (ranked based on Q1 2022 data)

2019-2022: Historic & Forecast – Quarterly Data

LAST MONTH OF HISTORIC DATA: MARCH 2022



Source: m1nd-set B1S / IATA DDS

Shopping behavior insights – Global

International Air Travellers

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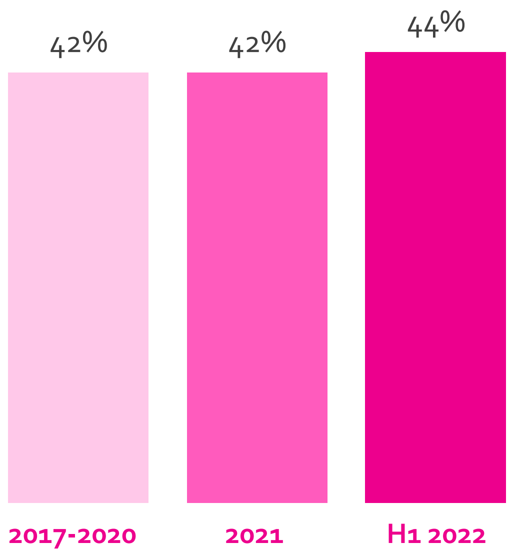
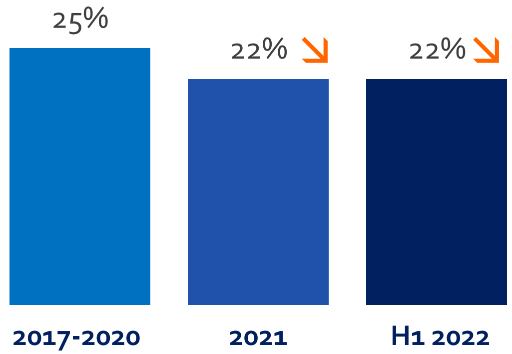
FOOTFALL, PURCHASE RATE & CONVERSION

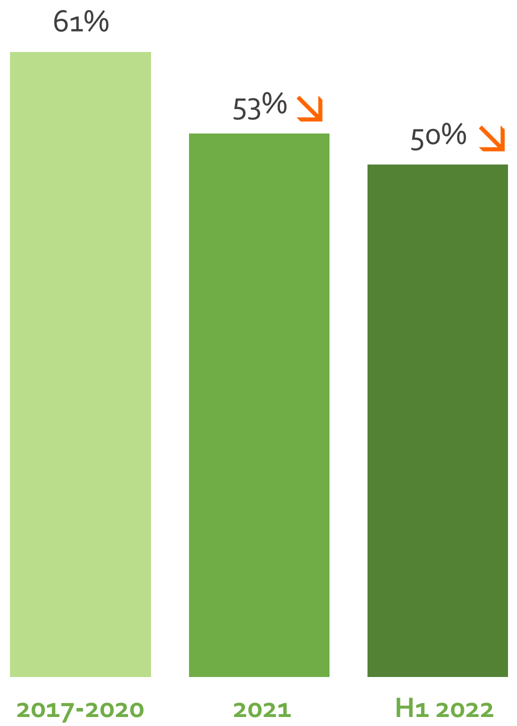
FOOTFALL



PURCHASE RATE



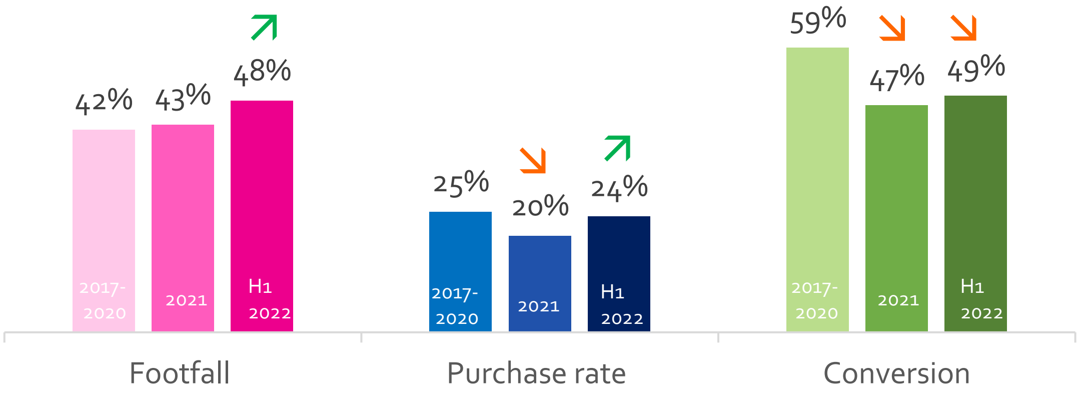
CONVERSION



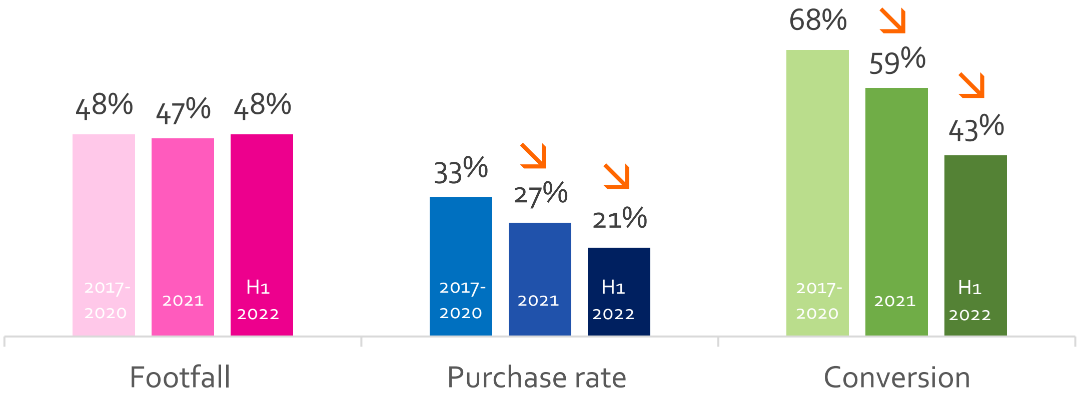
Indicate significantly higher / lower vs the pre covid-19 2017-2020

FOOTFALL, PURCHASE RATE & CONVERSION – BY REGION

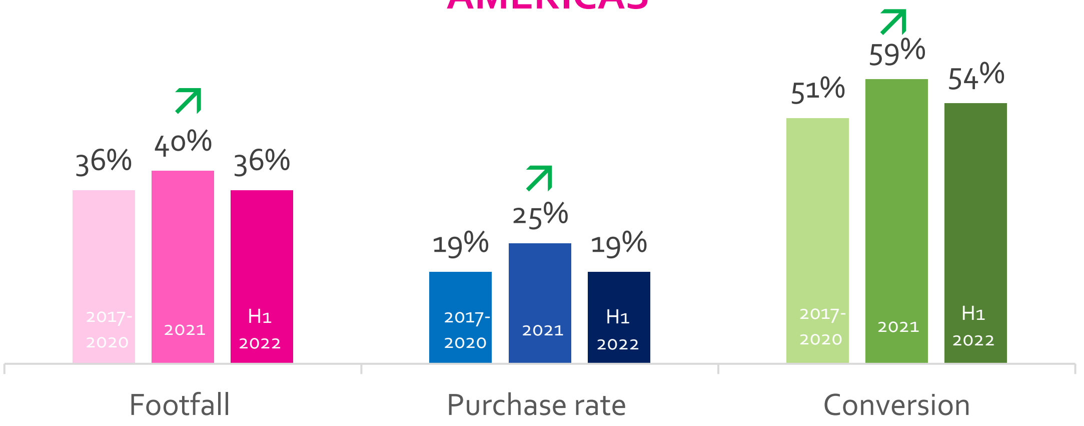
EUROPE



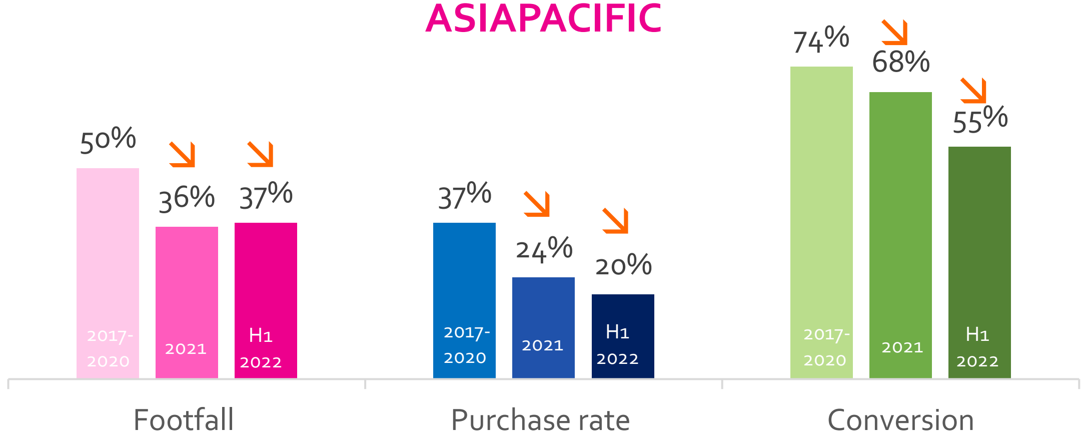
AFRICA & MIDDLE EAST



AMERICAS



ASIAPACIFIC



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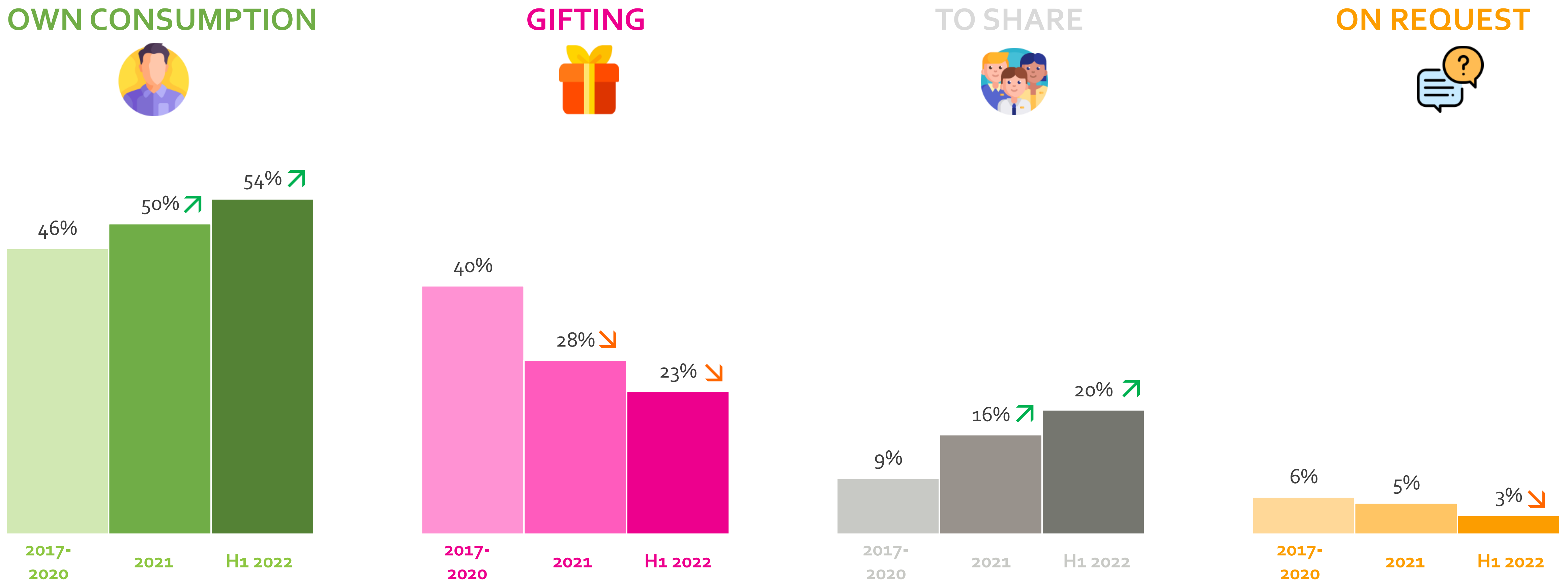
↗↘ Indicate significantly higher / lower vs the pre covid-19 2017-2020

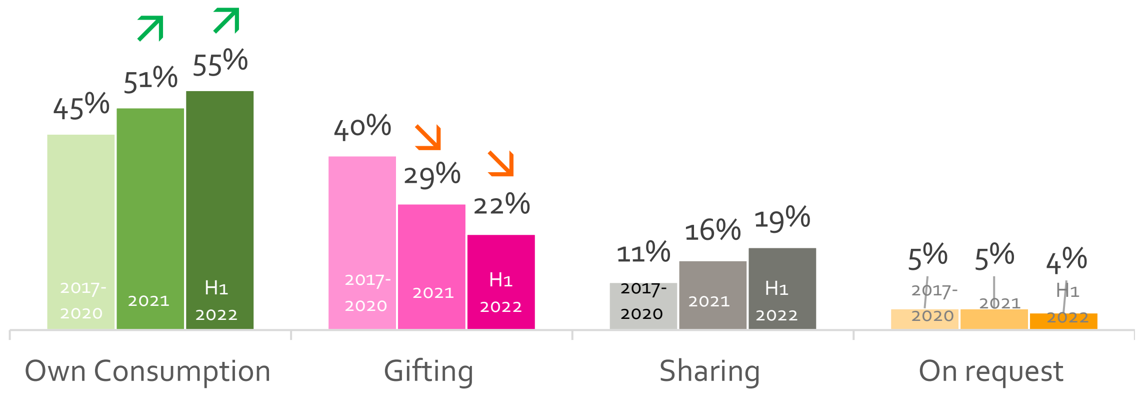
PURCHASE PURPOSE



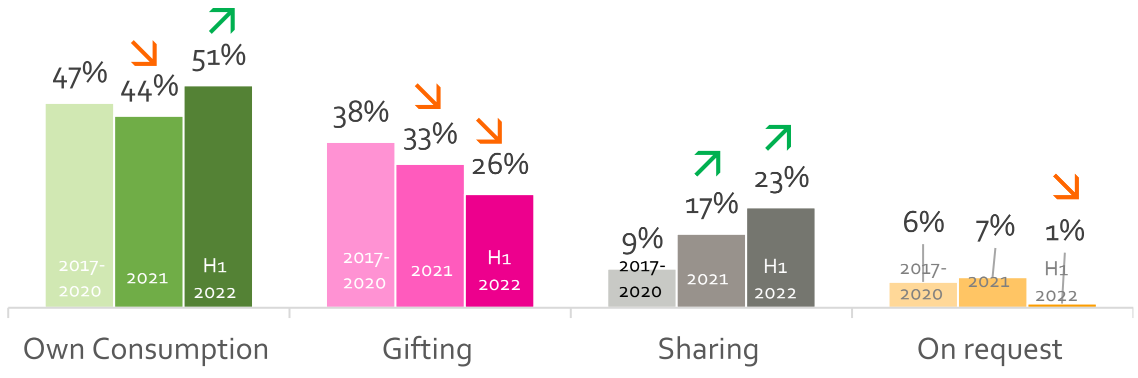
Indicate significantly higher / lower vs the pre covid-19 2017-2020

PURCHASE PURPOSE – BY REGION

EUROPE



AFRICA & MIDDLE EAST



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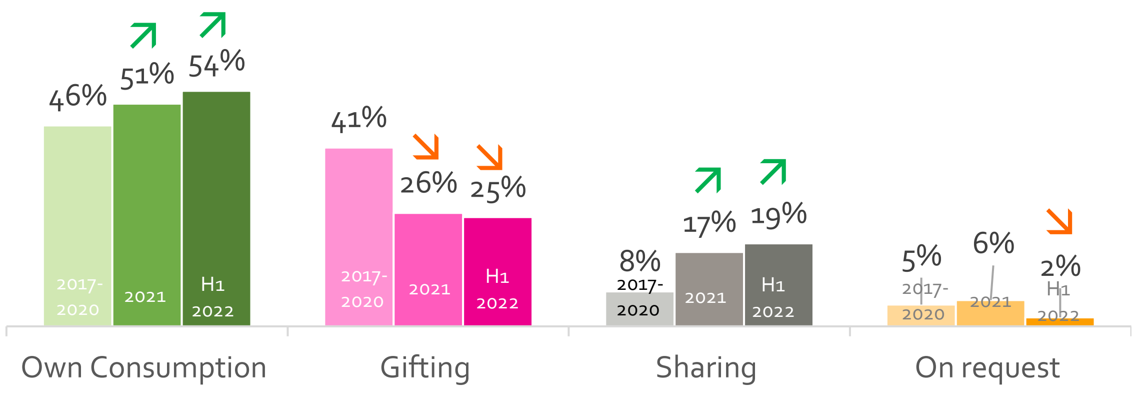

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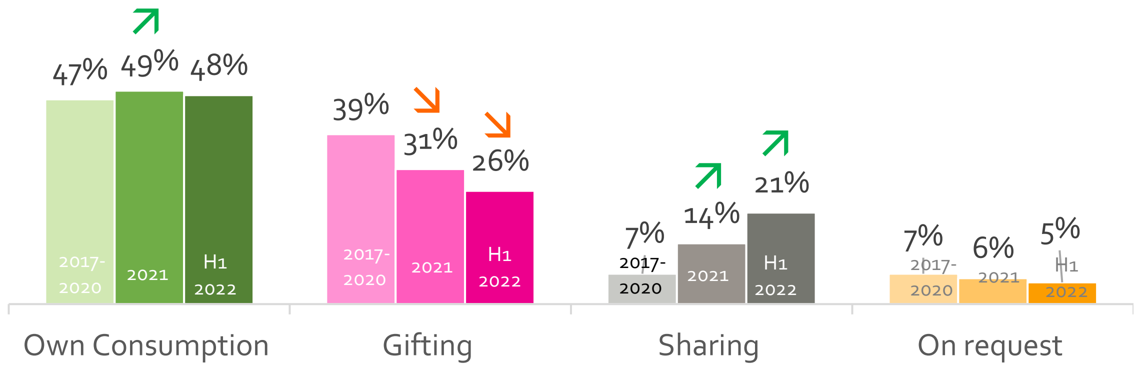

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↗ ↘ Indicate significantly higher / lower vs the pre covid-19 2017-2020

TOP 10 DRIVERS OF PURCHASES IN H1 2022

Driver	H1 2022	vs 2021	vs 2017-2020
Trendy Brand	19%	vs 7% in 2021	n.a. in 2017-2020
Value for money	18% ↘	vs 32% in 2021	vs 32% in 2017-2020
Convenience	18% ↘	vs 21% in 2021	vs 25% in 2017-2020
Loyalty to brand	15% ↘	vs 20% in 2021	vs 19% in 2017-2020
Suitable as a self treat	13% ↘	vs 16% in 2021	vs 17% in 2017-2020
Suitable as a souvenir	12% ↘	vs 15% in 2021	vs 16% in 2017-2020
Time to choose	12% ↘	vs 15% in 2021	vs 21% in 2017-2020
Different from usual	12% ↘	vs 18% in 2021	vs 16% in 2017-2020
Price advantage	12% ↘	vs 25% in 2021	vs 32% in 2017-2020
Special Promotion	11%	vs 15% in 2021	vs 13% in 2017-2020

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↗ ↘ → Indicate significantly higher / lower / no change vs the pre covid-19 2017-2020

TOP 10 DRIVERS OF PURCHASES IN H1 2022 – BY REGION

EUROPE

#1	**Trendy brand**	19%		#6	Price advantage vs local market / online	12%	↘
#2	It was convenient	19%	↘	#7	Suitable as a trip souvenir	12%	↘
#3	Good value for money	17%	↘	#8	Attractive display	11%	
#4	**Loyalty to Brand**	14%	↘	#9	To indulge myself	11%	
#5	Suitable as a self-treat	13%	↘	#10	Had enough time to choose	11%	↘

AFRICA & MIDDLE EAST

#1	**Trendy brand**	32%		#6	Special promotion	14%	↘
#2	Recommended by the sales staff	21%		#7	Suitable as a self-treat	12%	↘
#3	Good value for money	20%	↘	#8	Suitable as a trip souvenir	11%	↘
#4	It was convenient	18%	↘	#9	Product unavailable at home	11%	↘
#5	**Loyalty to Brand**	18%	↘	#10	Different from my usual product	10%	↘

AMERICAS

#1	Attractive packaging	21%	↗	#6	Suitable as a trip souvenir	16%	
#2	Good value for money	18%	↘	#7	Recommended by the sales staff	15%	
#3	**Loyalty to Brand**	18%		#8	Had enough time to choose	15%	↘
#4	**Trendy brand**	16%		#9	Tried in the shop and liked it	15%	
#5	Suitable as a self-treat	16%		#10	It was convenient	14%	↘

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#1	Different from my usual product	21%	↘	#6	Recommended by a friend	17%	↗
#2	Good value for money	21%	↘	#7	Special / Duty Free exclusive edition	17%	↗
#3	Attractive gift with the purchase	17%	↗	#8	Special promotion	17%	↗
#4	Trendy brand	17%		#9	Loyalty to Brand	16%	
#5	Had enough time to choose	17%		#10	It was convenient	15%	↘

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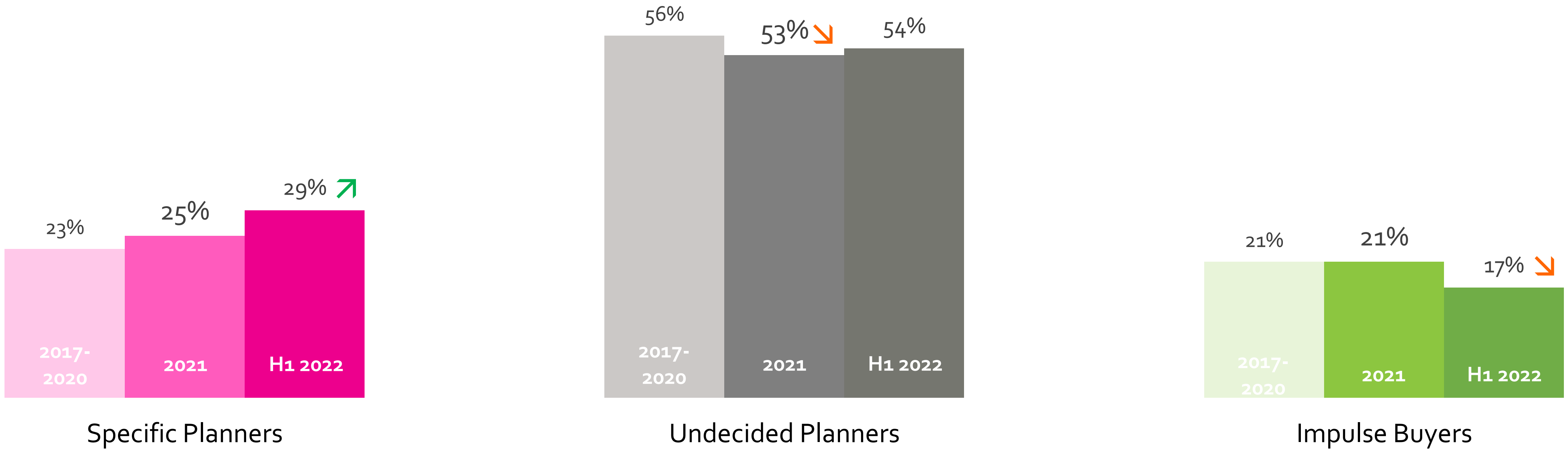
↗ ↘ Indicate significantly higher / lower vs the pre covid-19 2017-2020

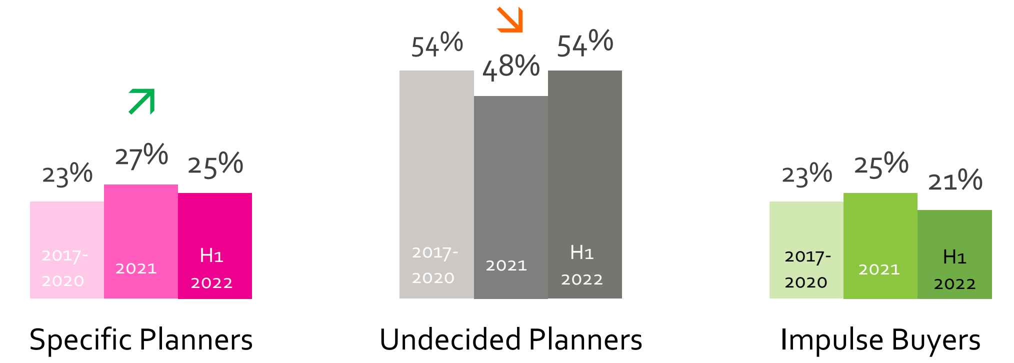
PLANNED VS IMPULSE PURCHASES



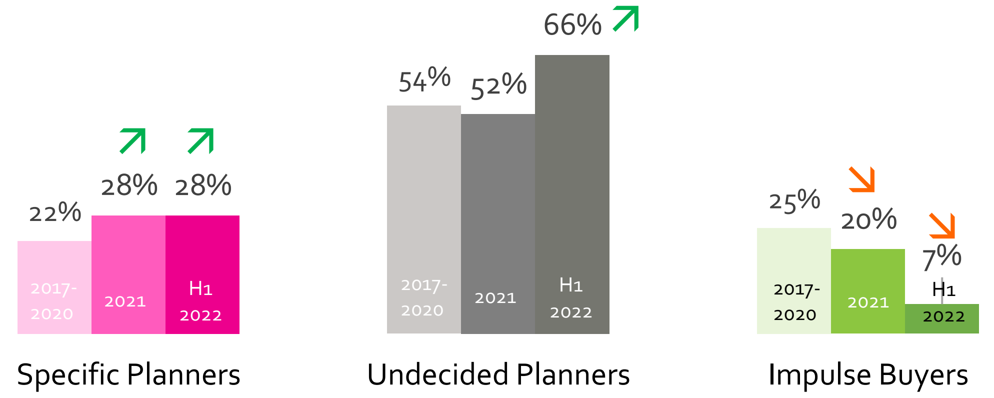
Indicate significantly higher / lower vs the pre covid-19 2017-2020

PLANNED VS IMPULSE PURCHASES – BY REGION

EUROPE



AFRICA & MIDDLE EAST



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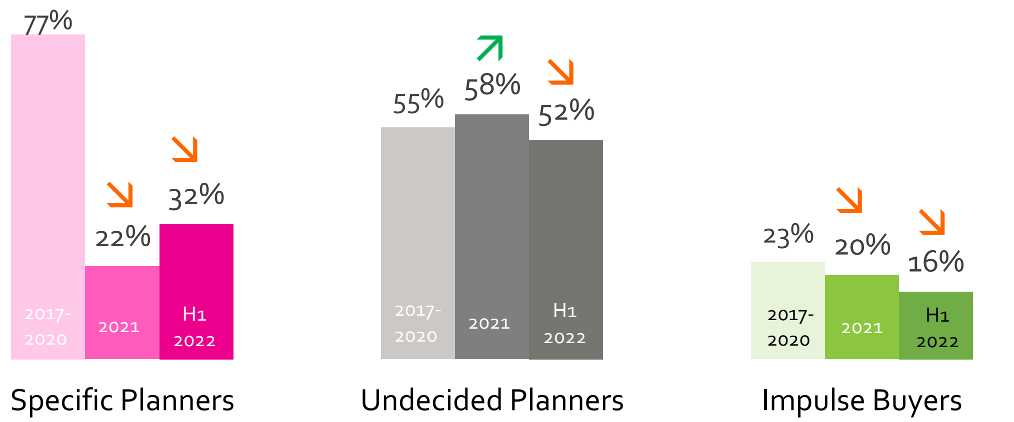

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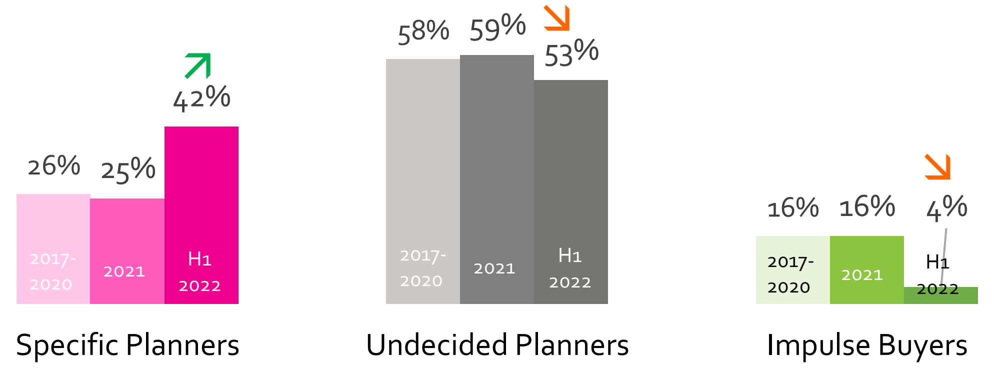

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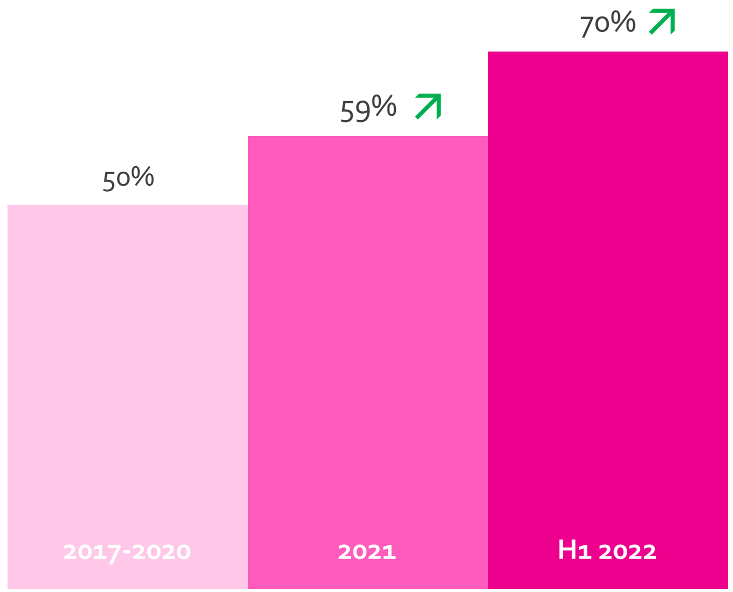
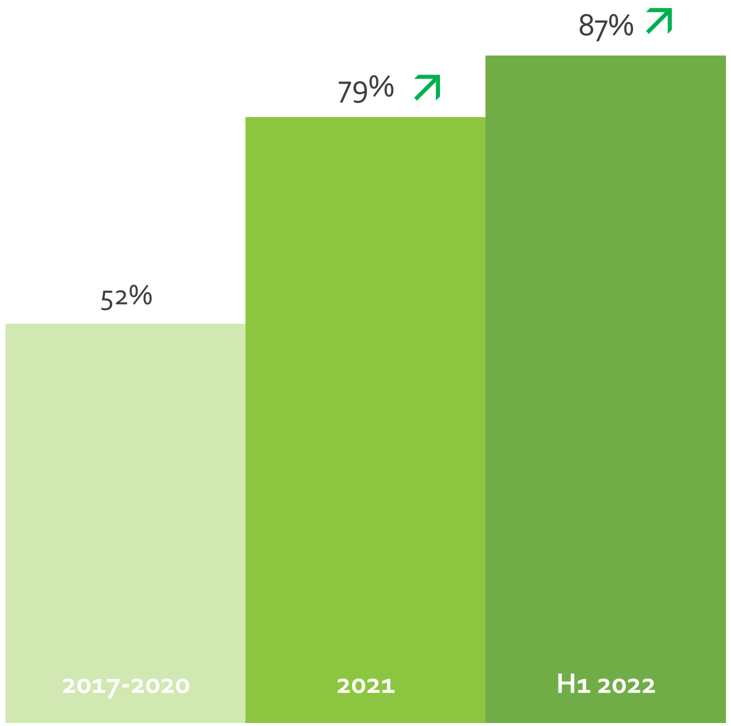
↗ ↘ Indicate significantly higher / lower vs the pre covid-19 2017-2020

INTERACTION AND INFLUENCE OF SALES STAFF



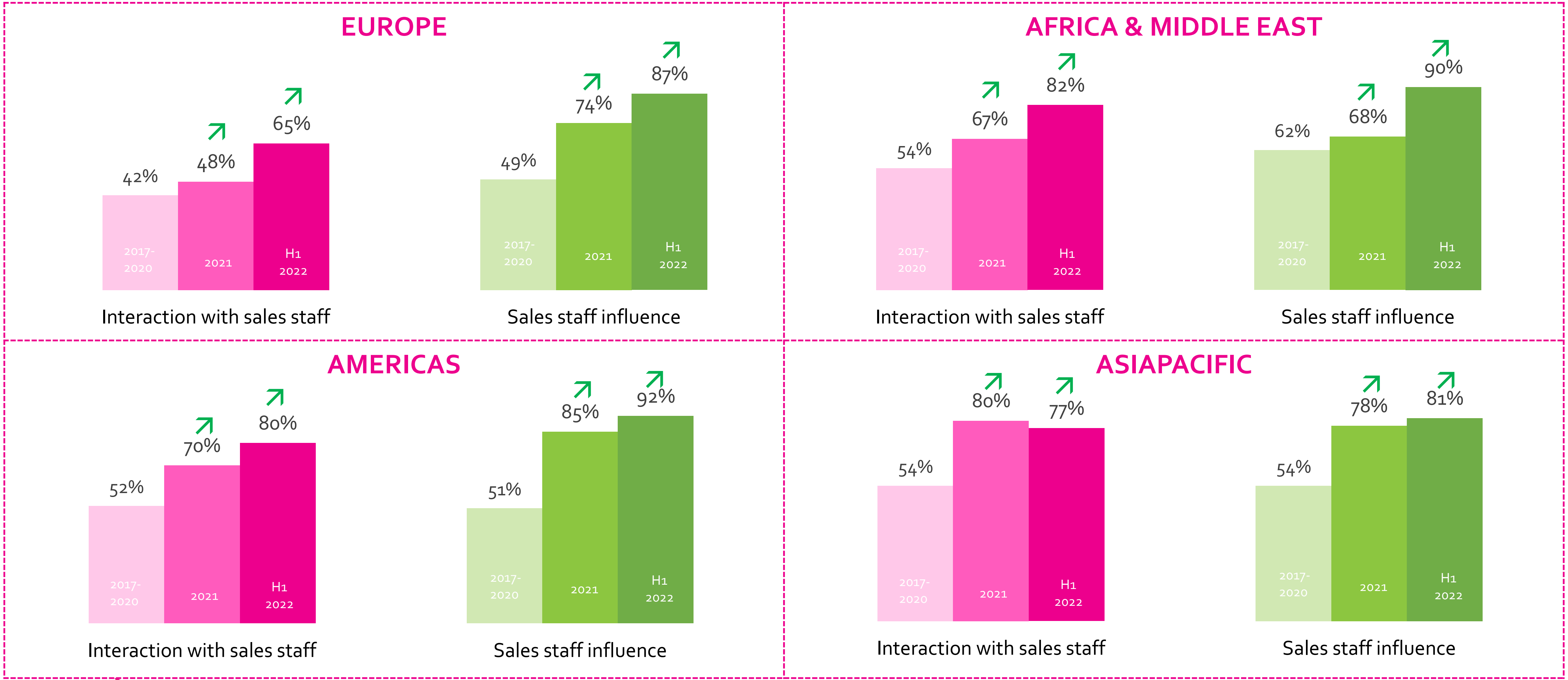
Interaction with sales staff



Sales staff influence

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

INTERACTION AND INFLUENCE OF SALES STAFF – BY REGION



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

Shopping behavior insights

International Cruise Travellers

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GLOBAL CRUISE MARKET

THE CRUISE FLEET

449 SHIPS

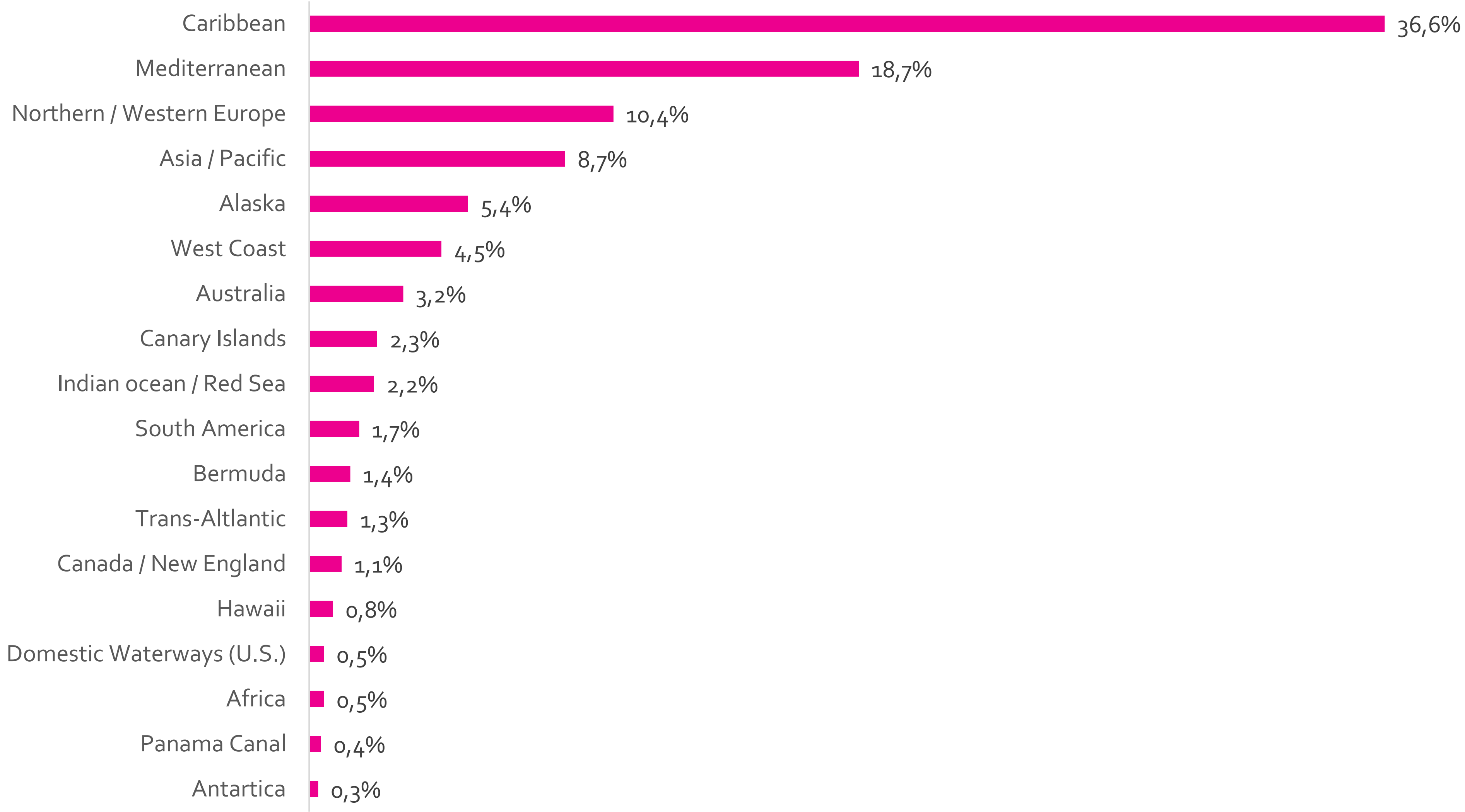
PASSENGER CAPACITY

29,7 million

ESTIMATED SALES REVENUES

$ 49,8 billion

MAJOR CRUISE REGIONS IN 2022



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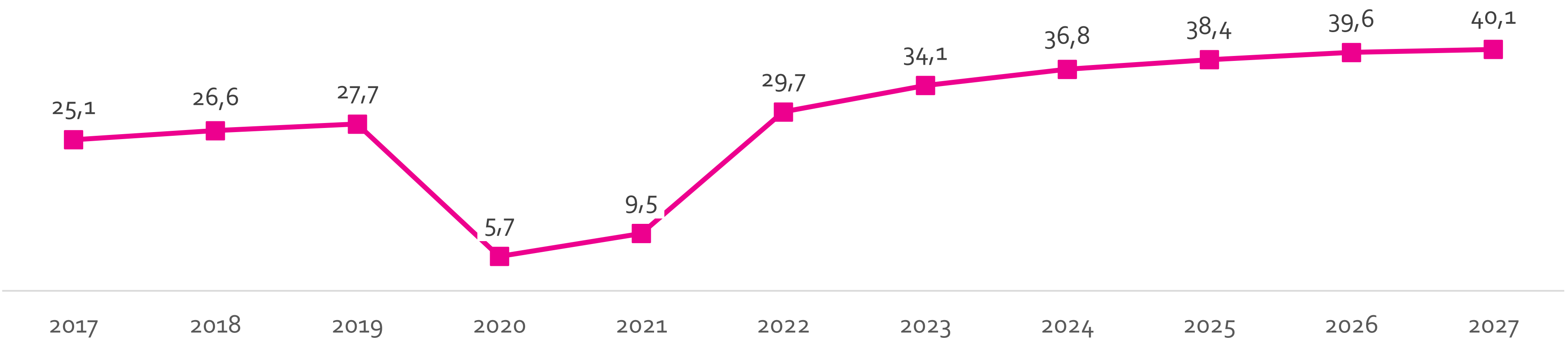
FORECASTING CRUISE MARKET 2017-2027- GLOBAL

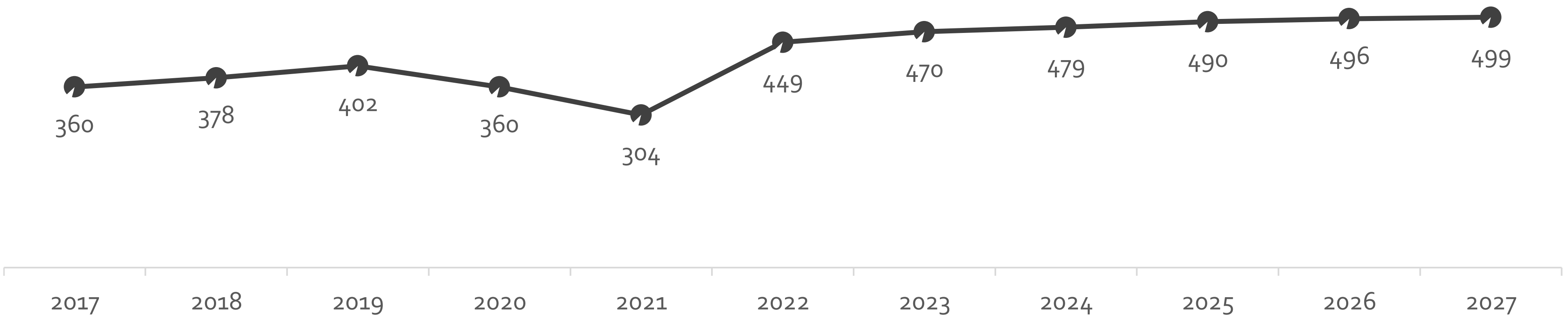
MARKET CAPACITY

in million

The total number of passengers a ship can carry at 100 percent occupancy during a given time period, measured by sailing



SHIPS



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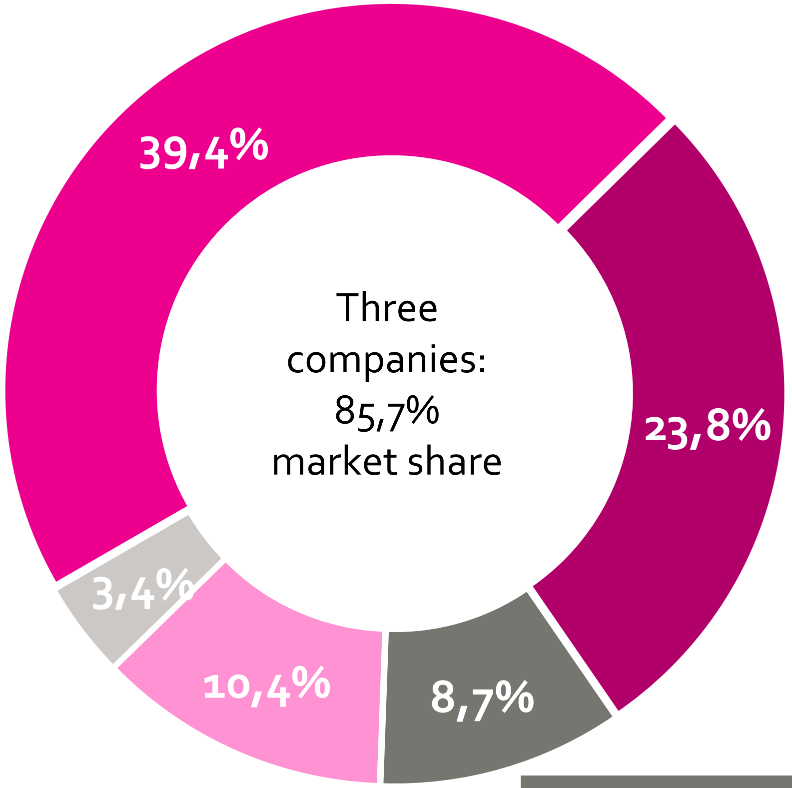
LARGEST CRUISE BRANDS IN 2022 - GLOBAL

MARKET SHARE ($)

CARNIVAL CORPORATION	
Carnival	15,5%
Costa	5,9%
Princess	5,3%
AIDA	4,6%
Holland America	2,7%



ROYAL CARIBBEAN	
Royal Caribbean	17,0%
Celebrity	4,1%
TUI	2,2%
Silversea	0,4%
Hapag-Lloyd	0,1%

GENTING CRUISE LINE	
Dream Cruises	2,2%
Star Cruises	1,0%
Crystal	0,2%

MSC Cruises

NORWEGIAN CRUISE LINE	
Norwegian	7,9%
Oceania	0,5%
Regent	0,3%

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SHARE OF THE DIFFERENT SHIP SEGMENTS

2022 MAJOR PRODUCT GROUPS WORLDWIDE

145 ships in 2022 worldwide

69% CONTEMPORARY

- average cruise length of mostly **seven days or shorter**
- **competitive prices**
- appeals to passengers of **all ages** and **income categories**
- frequently **first-time cruise passengers**
- features the **largest ships**

90 ships in 2022 worldwide

23% PREMIUM

- **longer cruises** than the contemporary segment
- per **diem rates above** the contemporary segment
- appeals to **more experienced travelers/cruisers**

13 ship in 2022 worldwide

3% BUDGET

- a large portion of the **European** market
- **ships** tend to be **older** and have often been retired from mainstream cruise brand

154 ships in 2022 worldwide

3% EXPEDITION & NICHE

- **U.S. domestic waterway** cruising
- **soft-adventure** cruises
- **long itineraries** to far-flung destinations such as Antarctica and the Arctic on smaller ships
- **highest ticket prices**

50 ships in 2022 worldwide

2% LUXURY

- cruises ranging from **seven nights and up**
- per **diem rates** are among the **highest** in the industry
- the ships are either **medium-sized or small**, but spacious, and tend to sail worldwide
- **superb food** and **service**

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Consumer insights of international Cruise Travel Retail shoppers

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AVERAGE NUMBER OF VISITS PER TRIP AMONG INTERNATIONALL CRUISE TRAVELLERS

2018	2019	2020	2021	2022
2,9	3,1	2,7	2,7	2,8
	69% IN THE MIDDLE OF THE CRUISE	70% IN THE MIDDLE OF THE CRUISE		

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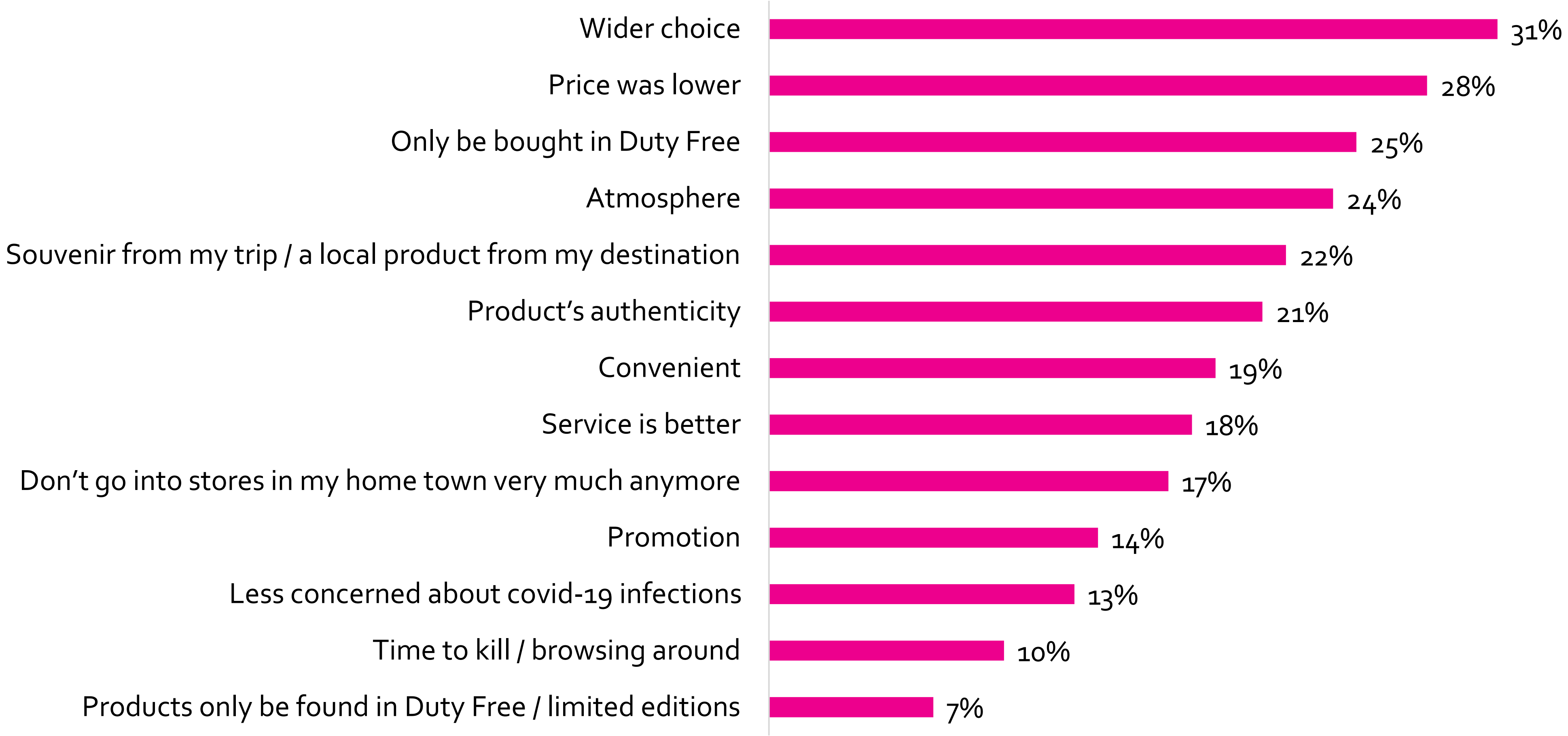
APPEAL FACTORS TO PURCHASE IN DUTY FREE STORES AMONG INTERNATIONAL CRUISE TRAVELLERS



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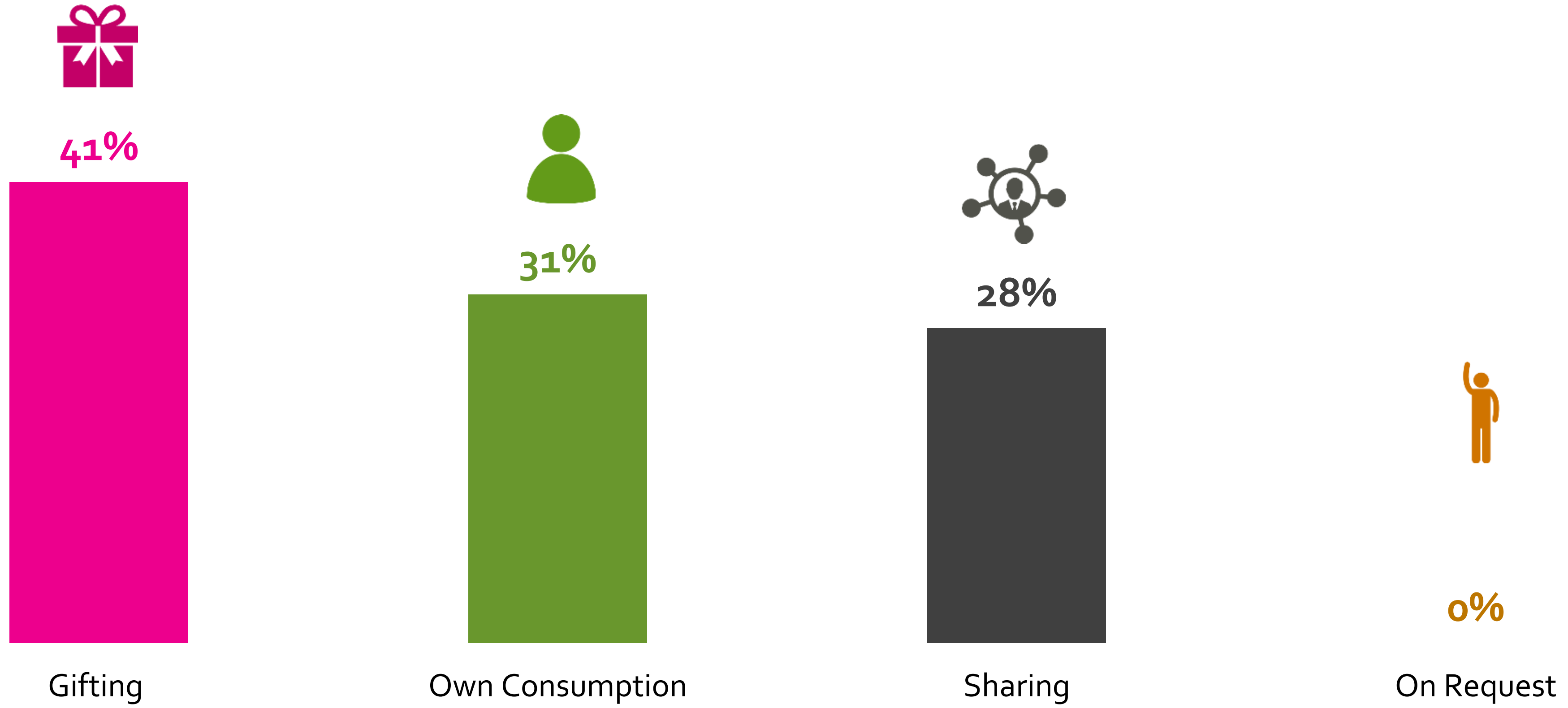
PURCHASE MISSIONS AMONG INTERNATIONAL CRUISE TRAVELLERS



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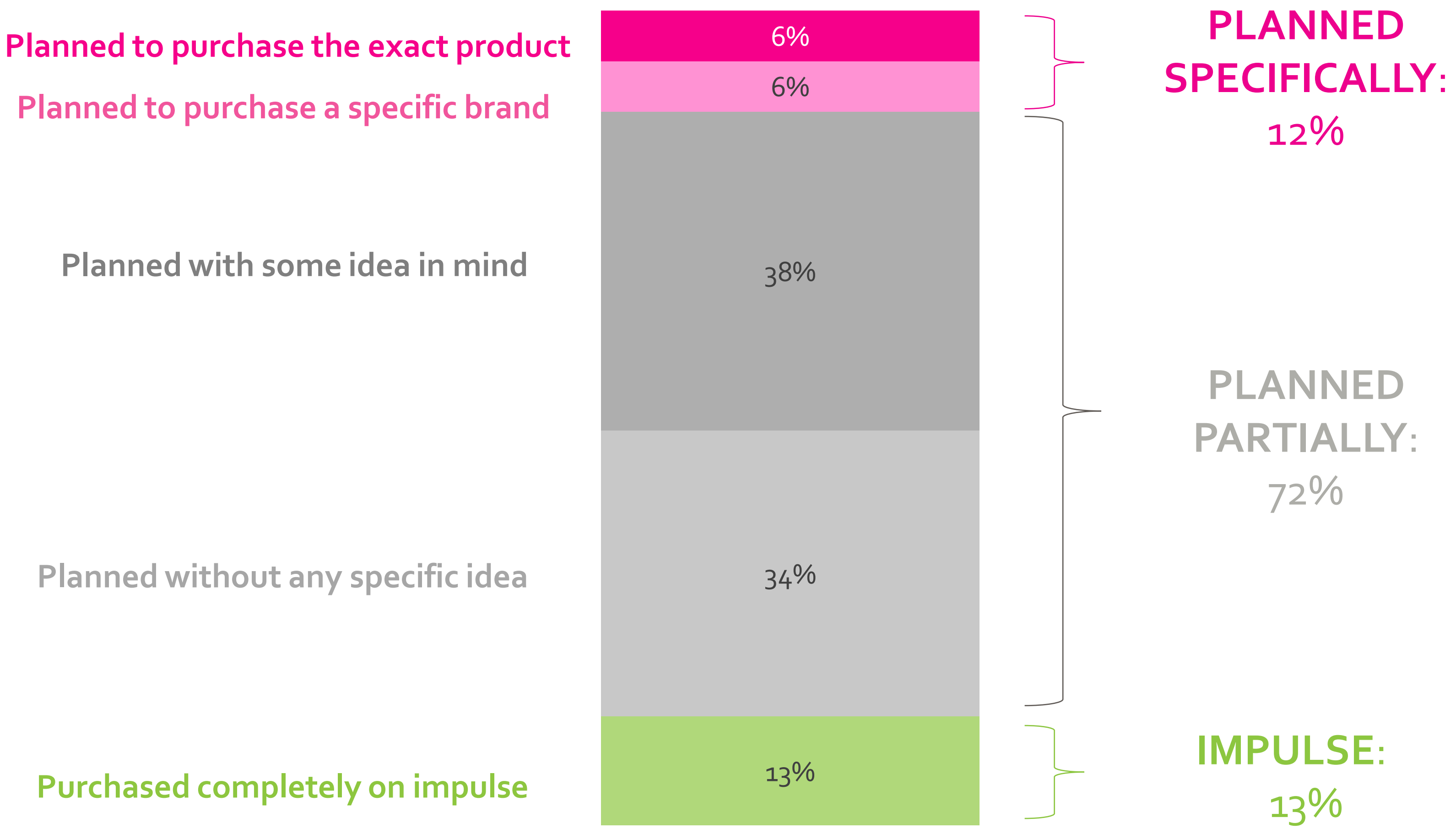
PLANNING LEVEL OF PURCHASE



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TOP 10 DRIVERS OF PURCHASES AMONG INTERNATIONAL CRUISE TRAVELLERS

Driver	%
Loyalty to brand	31%
Value for money	28%
No need to shop elsewhere	28%
Unavailable at home	28%
Clear price advantage	26%
Convenience	22%
Reco by sale staff	22%
Saw someone buying it	22%
Trendy brand	26%
Special format/size	23%

INTERACTION WITH SALES STAFF AND ITS INFLUENCE ON PURCHASING DECISION AMONG INTERNATIONAL CRUISE TRAVELLERS

80%

of International cruise travellers **interact with the sales staff**

95%

purchase **influenced by the interaction**

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Thank You!

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