

Understanding & Influencing the Duty Free Alcohol Shopper

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Introducing Pi Insight...

TFWA

Specialists in Travel Retail specific research, insights & data management

SERVICES DEDICATED TO IDENTIFYING, UNDERSTANDING, AND MONITORING THE GLOBAL TRAVEL RETAIL SHOPPER

Founded in **January 2019**

Conducted over **200,000** interviews among international travellers

Handle & manage **millions of rows** of data on a quarterly basis

Focused entirely on the **Travel Retail** channel

Expertise in **quantitative, qualitative & advanced** research methodologies

Supporting clients across the **Alcohol, Beauty, Confectionery, Tobacco** and **Luxury** categories

Providing services across **three core pillars**

Pi Bespoke

Client specific in-location & online shopper behaviour, brand tracking and fixture appraisal studies

Pi Syndicated

Multi-client research studies into key industry channels, shopper types and themes

Pi Data

Processing, managing & developing complex data sets into easily manageable & accessible data assets

Pi Insight

Today's presentation...

TFWA

All data taken from Pi Insight's Recovery
Series of reports...

2,373

Alcohol buyer interviews
among key European nationalities



Across categories including:

Whisky

Vodka

Cognac

Rum

Gin

Wine & Champagne

Liqueurs

Today's presentation...

TFWA

**The Duty Free Alcohol
Shopper:**
**Key Category Metrics
& Behaviours**

**The Duty Free Alcohol
Shopper:**
**Meeting expectations
& influencing decisions**

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Identifying the Duty Free Alcohol shopper...

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Male

63%

Under 40s

53%

Leisure travellers

83%

1 – 3 trips per year

73%

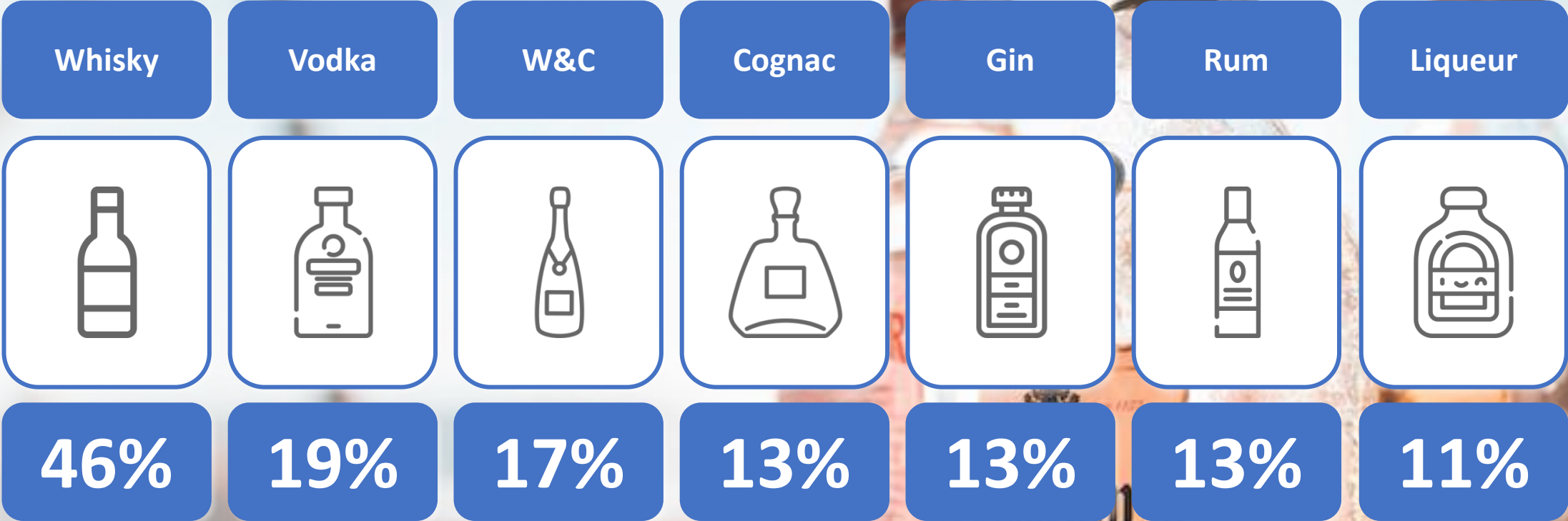
Travelling alone

19%

Pi Insight



Alcohol categories purchased...



Key Alcohol category metrics...

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**Average Alcohol
items purchased:**
1.8



**Average Alcohol
spend:**
US\$ 85



**Average Duty Free
basket spend:**
US\$ 169

The Alcohol shopper is purposeful...

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Alcohol shopper interests...

To treat myself: **47%**

Take advantage of airport prices: **44%**

Look for promotions: **34%**

To look for a gift: **32%**

To look for new products: **26%**

The purchase for a variety of occasions...

TFWA



**Purchase for
themselves:**

42%

Gin: 49%
Liqueur: 49%
Whisky: 48%



**Purchase to
share:**

38%

Cognac: 34%
Rum: 34%



**Purchase for
someone else:**

30%

Wine & Champagne: 43%

But are also very open to influence...

TFWA

42%

**Plan to purchase
their Alcohol
item**

Liqueurs: **53%**

Cognac: **50%**

Rum: **47%**

19%

Exact item

28%

Brand

16%

Range of brands

37%

General Alc. or DF

Today's presentation...

TFWA

The Duty Free Alcohol
Shopper:
Key Category Metrics
& Behaviours

The Duty Free Alcohol
Shopper:
Meeting expectations
& influencing decisions

Meeting the shopper expectations & influencing decisions...

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Product



Value



Service

A woman with long brown hair in a ponytail, wearing a black leather jacket, is looking down at a shelf in a duty-free shop. The shelves are filled with various bottles and products. The background is slightly blurred, focusing on the woman and the products she is examining.

Product differentiation is a key expectation...

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81%

**Consider Duty Free
exclusives to be an
important element of their
shopper experience**

Whisky: **85%**

Vodka: **84%**

Cognac: **84%**

And can drive purchase intent...

TFWA

63%

**Would be more likely to buy
an item if it is a Duty Free
exclusive vs. a standard
product**

Whisky: **71%**

Vodka: **66%**

Cognac: **66%**

Shoppers are also interested in premiumisation...

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30%

**Trade up to more
expensive variants
than they would
usually buy at
home**

36%

Cognac

35%

Whisky

32%

Wine & Champ.

And are also becoming increasingly ethical...

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86%

consider
sustainability to be
important when
shopping in DF



Consider sustainability to be very important: **45%**



Consider sustainability to be quite important: **41%**

Which can influence the decision making...

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31%

Would
definitely buy
that item



32%

Much more
likely to buy tht
item



18%

Slightly more
likely to buy that
item



81%

Would be
positively
influenced

Value is a key consideration when selecting an item...

TFWA

Alcohol purchase drivers...

Good quality: **37%**

Cheaper prices: **24%**

Attractive promotions: **24%**

Well-known brands: **21%**

Usual brands: **16%**

For a treat: **15%**

And can act as a barrier if negatively perceived...

TFWA

Alcohol purchase barriers...

Expensive prices: **28%**

Lack of promotions: **25%**

Nothing of interest: **24%**

Just killing time: **23%**

Carriage concerns: **13%**

Didn't need anything: **19%**



Price based and added-value promotions drive interest...

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51%

Price discount

24%

Multi-buy offers

23%

Product gifts

14%

Brand accessories

13%

Gift wrapping

Alcohol shoppers are looking for advice...

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1 in 4

**Interact with
staff while
making their
decision**

27%

Specific item
advice

18%

New item
advice

17%

Sampling
products

Which in turn can have a high rate of influence...

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64%

Of those interacting with staff are positively influenced

44%

Were choosing
between items and
staff assisted

20%

Would not have
purchased without
staff input

Meeting the shopper expectations & influencing decisions...

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Product



Value



Service

Factors that are also key to the Global Alcohol shopper...

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94%

Consider TREX items
to be important

Cheaper prices is

#3

Purchase driver

67%

Are positively
influenced by staff



98%

Consider TREX items
to be important

Cheaper prices is

#4

Purchase driver

64%

Are positively
influenced by staff



98%

Consider TREX items
to be important

Attractive pricing is

#3

Purchase driver

76%

Are positively
influenced by staff



87%

Consider TREX items
to be important

Cheaper prices is

#1

Purchase driver

66%

Are positively
influenced by staff

In summary...

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The Alcohol shopper
has a purposeful
shopping mentality but
is open to in-store
influencers

Product based factors, a
strong value proposition
and service are all key
expectations &
influencers

These factors are key to
the European shopper,
but also present a key
opportunity at a Global
level

Thank you...

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