



السوق الحرة
MUSCAT مسقط
DUTY FREE

November 2025

THE INDIA EFFECT

How Indian travellers are
reshaping MEA's travel retail
landscape

 www.muscatdutyfree.com





TWO REGIONS, ONE MOMENTUM TO REDEFINE THE FUTURE OF GLOBAL AIR TRAVEL

India: The Next Growth Engine in Aviation



Entering a new era of expansion, powered by rising passenger traffic.



Government initiatives connecting Tier 2 & Tier 3 cities to global hubs.



50+ million international departures projected annually within the next 3 years.



Affluent travellers, Gen Z & Millennials driving outbound growth.



Shift from traditional duty-free essentials to broader lifestyle & premium categories (beauty, electronics).



Focus on digital convenience, experience-led engagement and social media.

Middle East: Strengthening Global Aviation Leadership



Rapid Innovation-led growth and expansion across airlines and airport infrastructure.



Non-stop connectivity linking all continents and major cities.



World-class carriers expanding fleets and routes aggressively.



State investment & strategic vision fueling long-term growth.



Tourism spend to hit \$350B annually, reinforcing aviation dominance.

“ India is ascending. The Middle East is expanding. Together, they’re shaping the future of global aviation

OMAN VISION 2040: CONNECTING OMAN AND INDIA'S GROWTH



Oman Vision 2040 targets 12 Million Tourists by 2040 (6M in coming years)



US \$31B Investment across 360 tourism projects



1 Million Indian Tourists Target (Ministry of Heritage & Tourism)



510K+ Indian Expats in Oman – strong VFR & business links



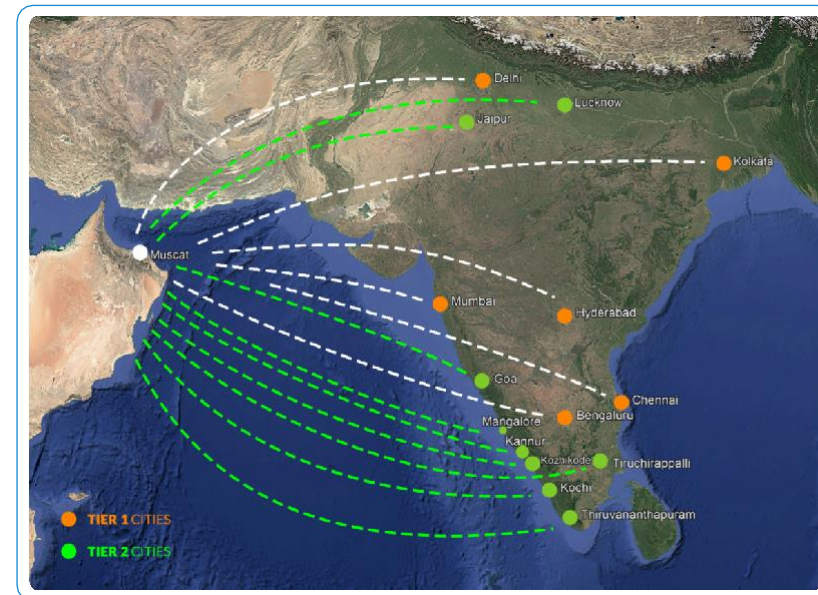
14 Direct Indian Destinations via Oman Air & Salam Air

Tier 1 Cities:

Bengaluru, Chennai, Delhi, Hyderabad, Mumbai, Kolkata

Tier 2 Cities:

Goa, Kochi, Kozhikode, Lucknow, Jaipur, Thiruvananthapuram, Kannur, Mangalore, Tiruchirappalli



Oman Air and particularly Salam Air are keen to expand number of destinations to India:

There is an aspiration to double the frequency of flights to India, but the main factor hindering this growth is the limited fleet size.

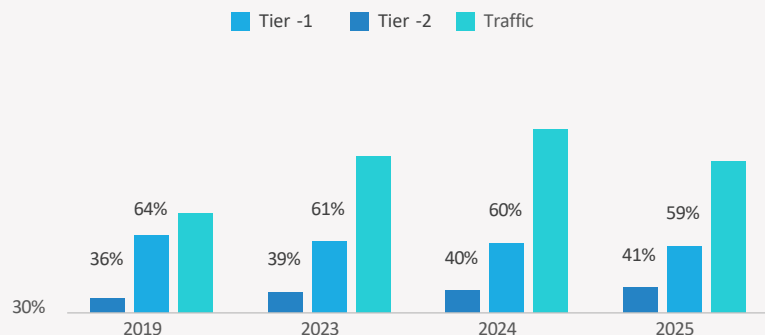
Currently Indian traffic through Muscat Airport ranges between 15-20%.

“ From Metros to New Markets India's Growth is Oman's Opportunity.

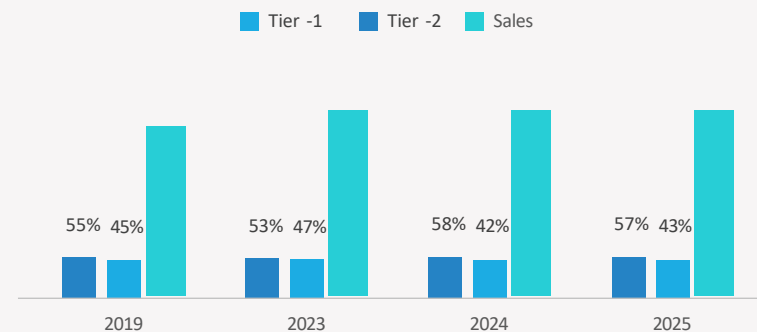


EVOLVING TAFFIC AND SALES DYNAMICS: TIER 1 VS TIER 2 INDIAN DESTINATIONS

Traffic Tier Analysis



Sales Tier Analysis



TIER 1

- ✓ Average Transaction Value is 12% higher than Tier 2 cities reflecting stronger purchasing power and premium engagement
- ✓ The Premium Gifting segment is the top growth engine in Confectionery, pushing both value and volume.
- ✓ Fragrances is #3 category ahead of tobacco driven by Niche fragrances demand
- ✓ Tobacco sales are declining in Tier 1 due healthier lifestyle choices

TIER 2

- ✓ The overall spends in tier 2 is 38% higher than Tier 1
- ✓ In Food, Value brands are the top preference with focus on Offers and Bulk Packs
- ✓ Tobacco is more prominent and #3 category ahead of Fragrances
- ✓ Tobacco sales are growing by 4% mainly driven by modern tobacco solution and cigars
- ✓ Raffles is 4th largest category with 120% higher spends than Tier 1



EVOLVING SALES DYNAMICS: TRANSITIONING BEYOND DUTY-FREE ESSENTIALS



Lifestyle Products Gain 2% Market Share

Sunglasses, Fashion areas
performing well



Electronics up 16% — premium products driving growth

Strong response to new Sony Gaming
zone Apple Iphone launch



Double-Digit Growth in Cosmetics & Make-Up Spend

Natural, Botanical, and Premium
Cosmetics Driving Category Growth

Liquor remains a leading category, driving a major share of sales. Key trends shaping performance include:



Novelty & Storytelling:

Limited-edition launches like Jack Daniel's McLaren Edition and Takamaka 69 are resonating strongly.



Premiumization:

Average spend on premium spirits is up 13%,
highlighting a clear shift toward higher-end choices.



Broader Taste Exploration:

Growing interest in Indian whiskies and tequilas is
expanding the category mix.



TURNING TRENDS INTO IMPACT

Strong value orientation:

Indian travelers tend to seek maximum perceived value not just low price but smart deals and visible savings. We also see a lot of growing aspiration, a rising segment of travelers seeks premium and exclusive products as symbols of success and global exposure. Important to cater to both segments.



Value Seekers

- ✓ Highly price-sensitive; look for offers, multipacks, and visible discounts.
- ✓ Often compare prices and prefer “Buy 2 Get 1”, travel packs, or combo deals.
- ✓ Clear signage “Save X%” or “Special Free Offer.”
- ✓ Brand placement: easy visibility



Aspirational Buyers

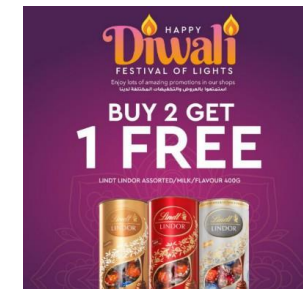
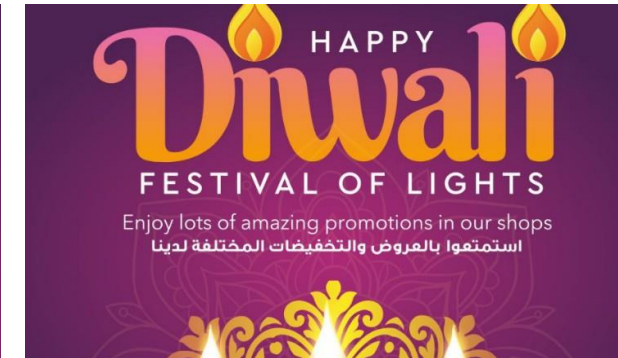
- ✓ Seek status, gifting, exclusivity. Premium beauty, high-end liquor, electronics, luxury confectionery.
- ✓ Influenced by Bollywood endorsements or social media influencer cues.
- ✓ Clean, high-contrast visuals, digital screens.
- ✓ Exclusive collections: “Travel & MDF Exclusives”, Sampling, gifting wrapping, experience,



Indian Festivals:

Diwali and Onam coincide with peak Indian outbound travel. Festival-led campaigns are no longer optional — travellers expect them. They consistently deliver higher engagement and conversion, presenting strong potential for full-scale activations with themed décor, targeted offers, and value-driven promotions.

- ✓ Integrated activations combining promotions, visuals, value-led offers and experiences lift conversion significantly. We have seen an increase of 13% in passenger spending on our last Onam campaign
- ✓ Emotional and gifting led travel purchased for family and celebration
- ✓ Increase loyalty from customers by being locally relevant and reinforce ties



Appetite for Indian brands abroad

Indian travelers actively seek Indian brands abroad, reflecting growing confidence in homegrown quality and a desire for cultural connection while travelling.

12 Indian brands launched across Liquor, Food and Tobacco over last 2 years all receiving strong traction.



Malayali beer launch

Indian travellers are shaping product strategy. Our launch of a Malayali-origin beer demonstrated how cultural relevance creates immediate impact and wider regional appeal among Indian and other travellers.



Destination wedding shoppers

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Oman emerging as a short-haul wedding destination,

Couples, families, and sometimes hundreds of guests flying for overseas weddings.

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Value and emotional spending, adding dual-spend potential (arrivals and departures)

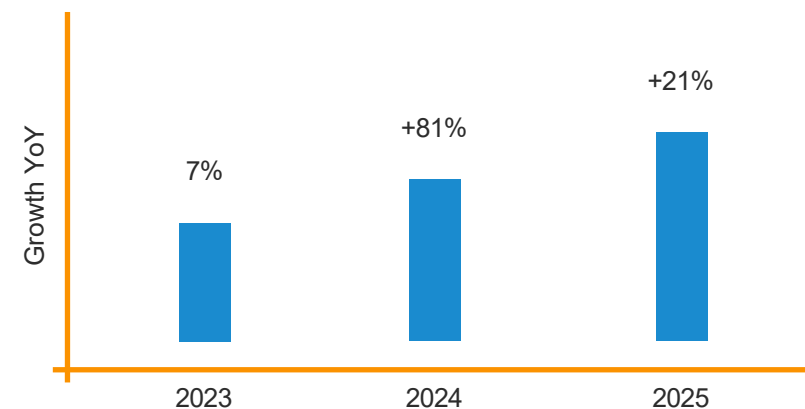
High spend per passenger — multiple gift purchases, liquor, perfumes, and premium confectionery.

“

Pre-planned purchases opportunity

We have worked with number of agencies a Wedding Journey offers and onboarding new ones to maximize opportunity and contribute to making those events even more special. Enhance convenience.

Recorded destination wedding revenue trend over 3 years:



Indian Travelers Are Digitally Driven Website & WhatsApp sales

82% of departure transactions on website and WhatsApp have been attributed to passengers traveling to India.

Collection lockers are gaining strong uptake in arrivals with Indian travelers, valued for convenience, flexibility and digital customer engagement.

Social Media/ Influencers

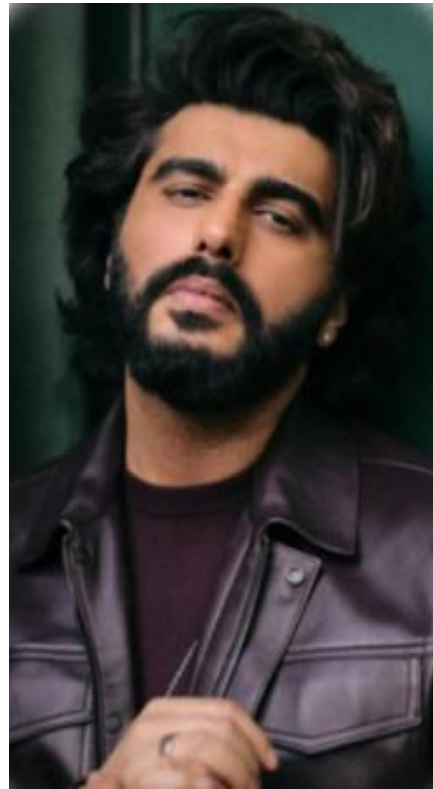
Celebrity narratives now shape purchase intent. Example is Shah Rukh Khan's magnetic appeal to introduce Diptyque and amplify the Premium fragrance category to Indian diaspora. We fast-tracked the brand's launch after its endorsement to ride the surge of interest and demand from Indian travellers.



Doja Cat wore MAC's bold Lady Danger shade during her headline performance with influencers quick to amplify this. We built on this momentum, our BAs focusing on the story, the shade was introduced to travelers as a fashion statement and a collectible icon. A single SKU became bestseller for 5 weeks. Sales surged by 157%.



Whisky drinkers are looking beyond the traditional strongholds of Scotland and Japan. Rampur and Indri, India's prestigious single malt for this new-age whisky movement. +6% growth in the Whiskies of the World category. Brand elevated with celebrity endorsement by Arjun Kapoor pushed our Whiskies of the World category +6% growth ahead of the Whisky and Liquor trend.



Casual post quickly went viral, transforming Takamaka Rum from under-the-radar rum into a must have. shoppers began asking for "that island rum we saw online. Growth to 36% of the total rum category.



THE INDIA EFFECT: SHAPING THE FUTURE OF TRAVEL RETAIL IN THE MIDDLE EAST

Indian travelers are not just a segment, they are a transformative force shaping the GCC's travel retail landscape wherever you look.

Growing presence is redefining product strategy, partnerships and experience across duty free sector in the region.

We stand at the crossroads of this opportunity, and our mission should be to enhance our proposition and capture lasting growth.

Growth will come from deeper understanding, stronger collaboration, and smarter engagement with this influential audience.





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