

How Experiential Retail will Surge Footfall & Conversion in Travel Retail

IAADFS Summit of the Americas

Miami, March 2025

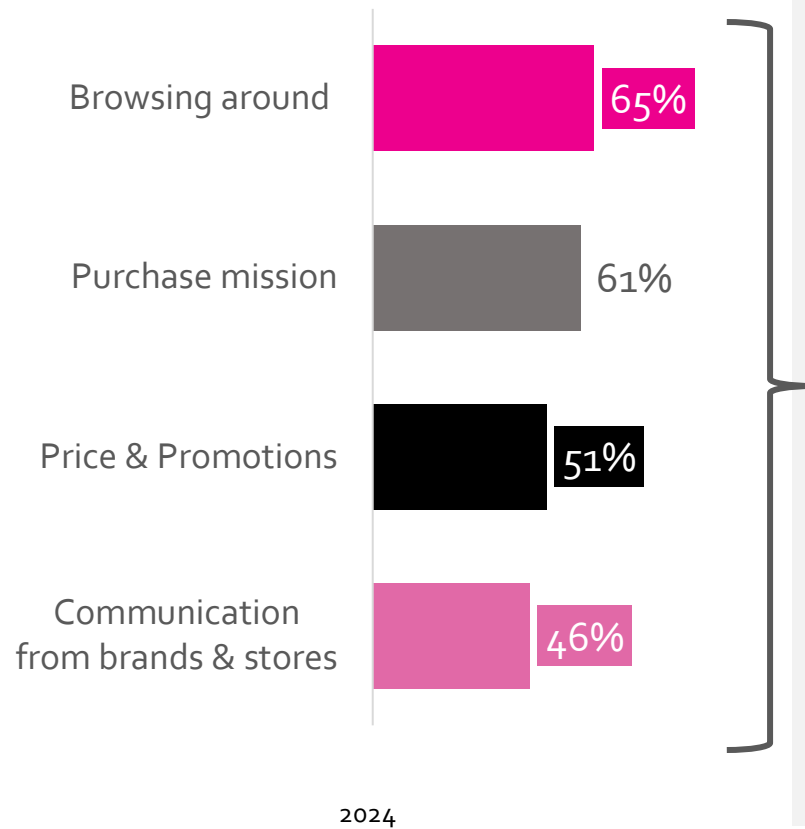


Why Experiential Retail in Travel Retail?

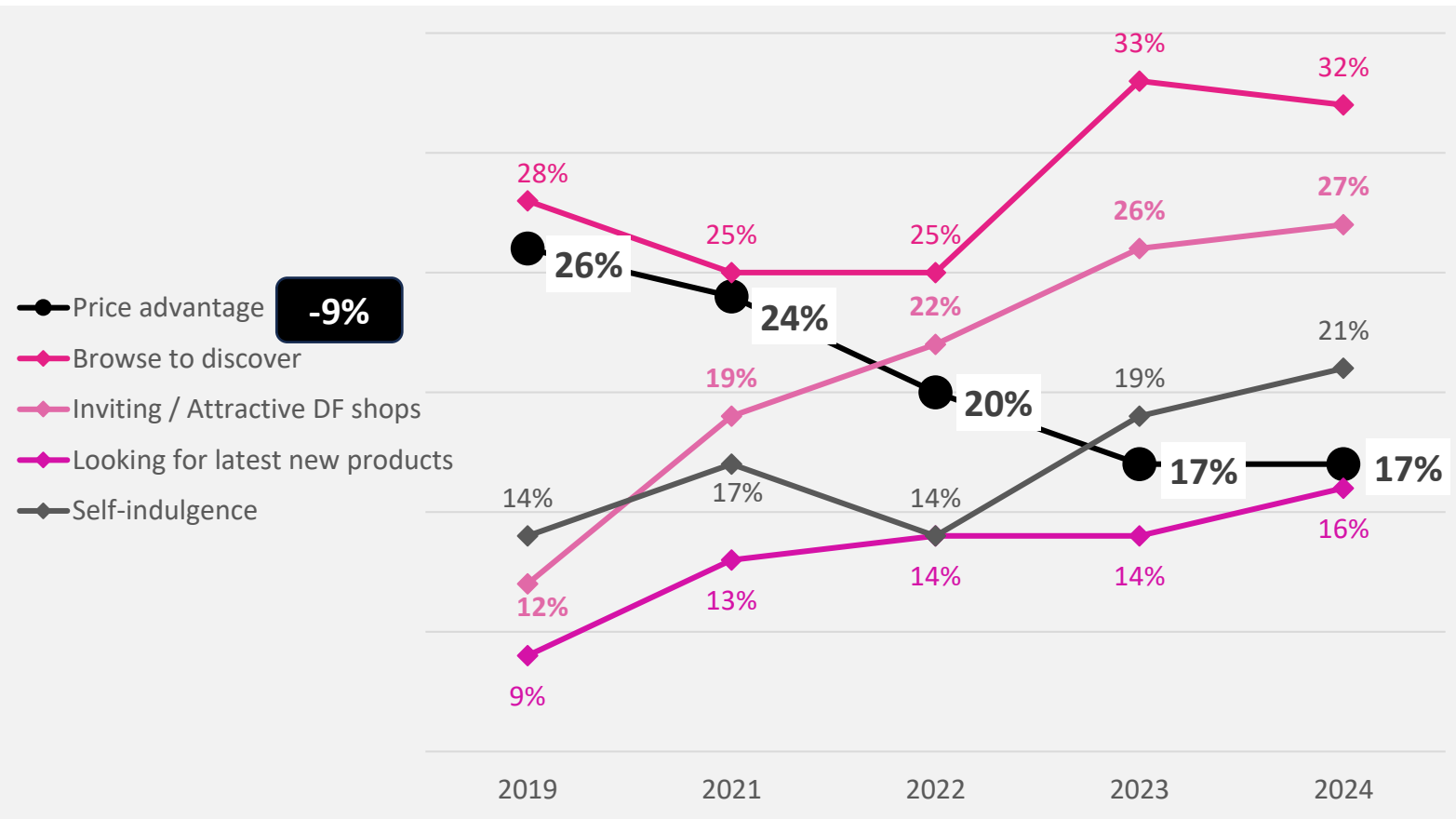
Drivers to visit

AS PRICE ADVANTAGE LOSES IMPORTANCE, ASPECTS RELATED TO EXPERIENTIAL RETAIL GAIN MOMENTUM:

NET DRIVERS



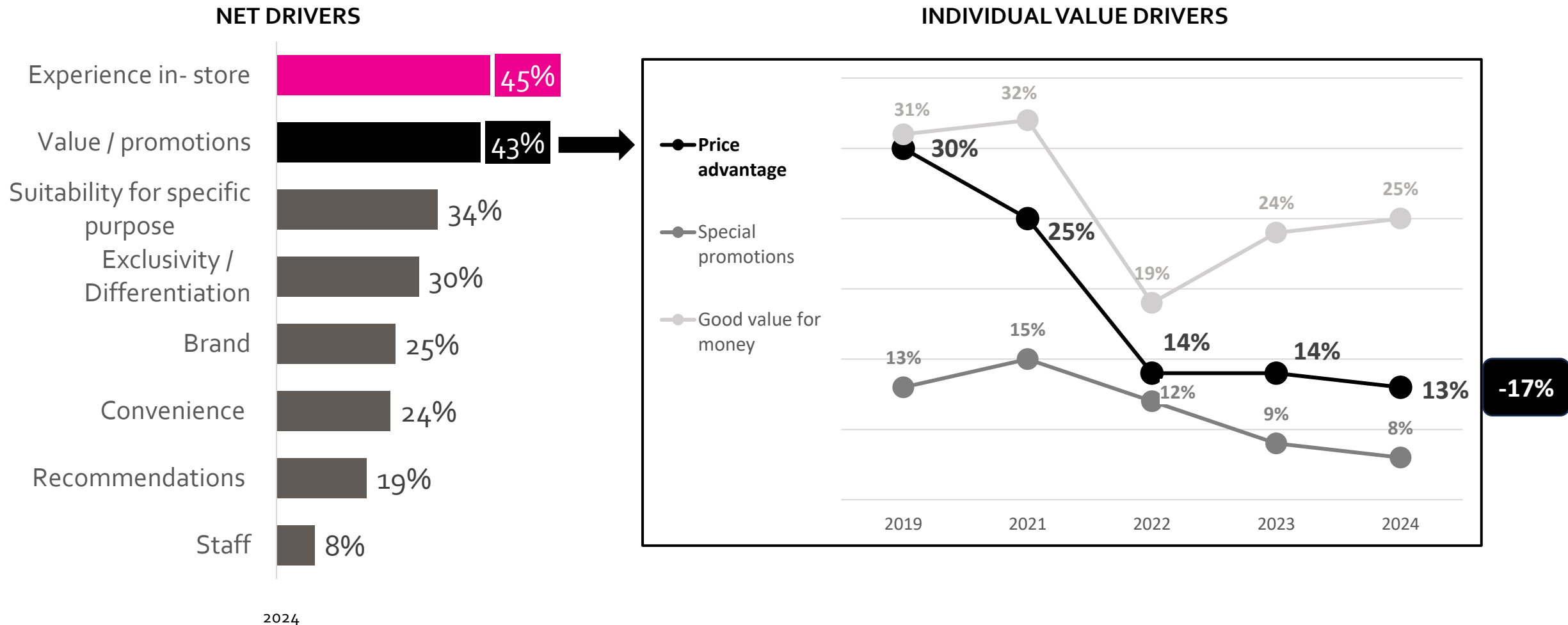
INDIVIDUAL DRIVERS



Why Experiential Retail in Travel Retail?

Drivers to purchase

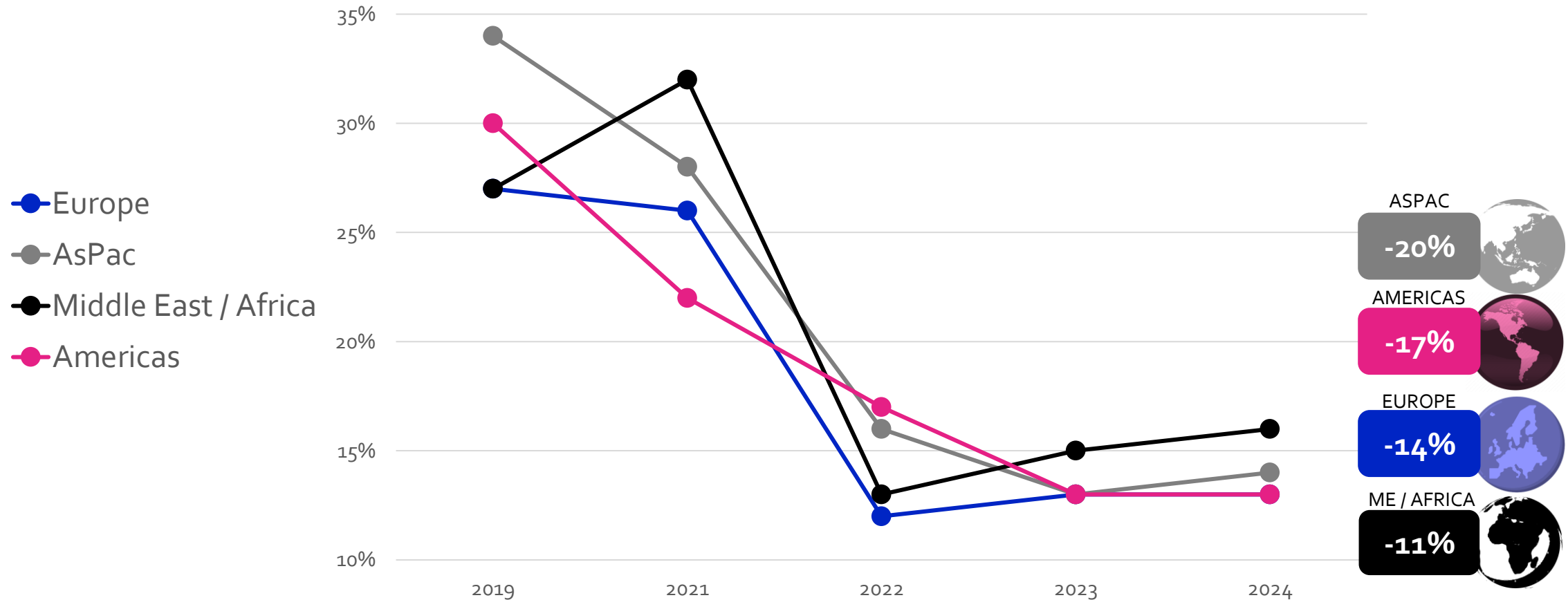
AS PRICE ADVANTAGE LOSES IMPORTANCE, EXPERIENCE IN-STORE BECOMES THE NUMBER ONE DRIVER TO PURCHASE:



Why Experiential Retail in Travel Retail?

Drivers to purchase

Price advantage as a driver to purchase - Comparison by Airport regions

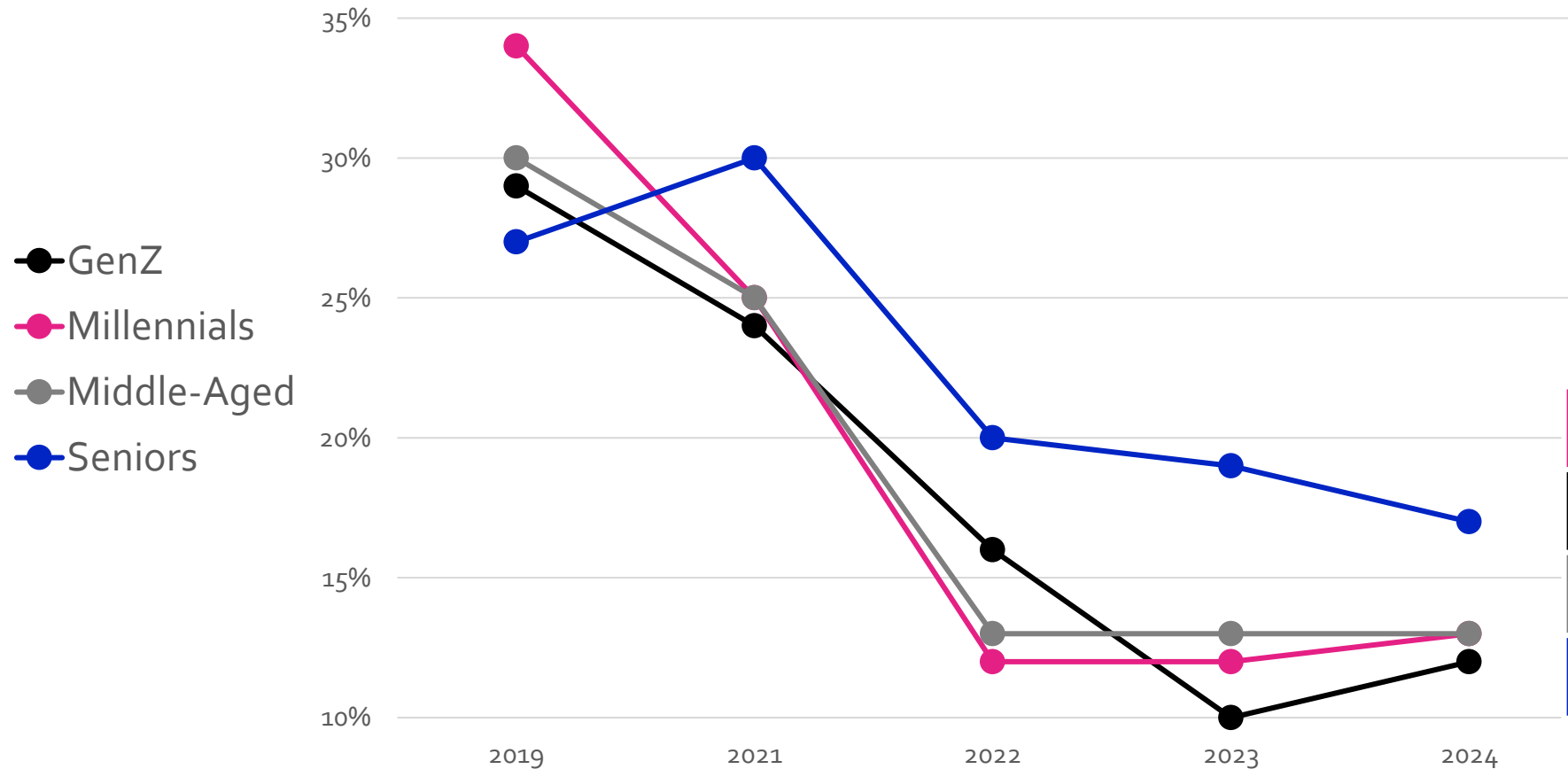


Why Experiential Retail in Travel Retail?

Drivers to purchase

Price advantage as a driver to purchase - Comparison by Age groups

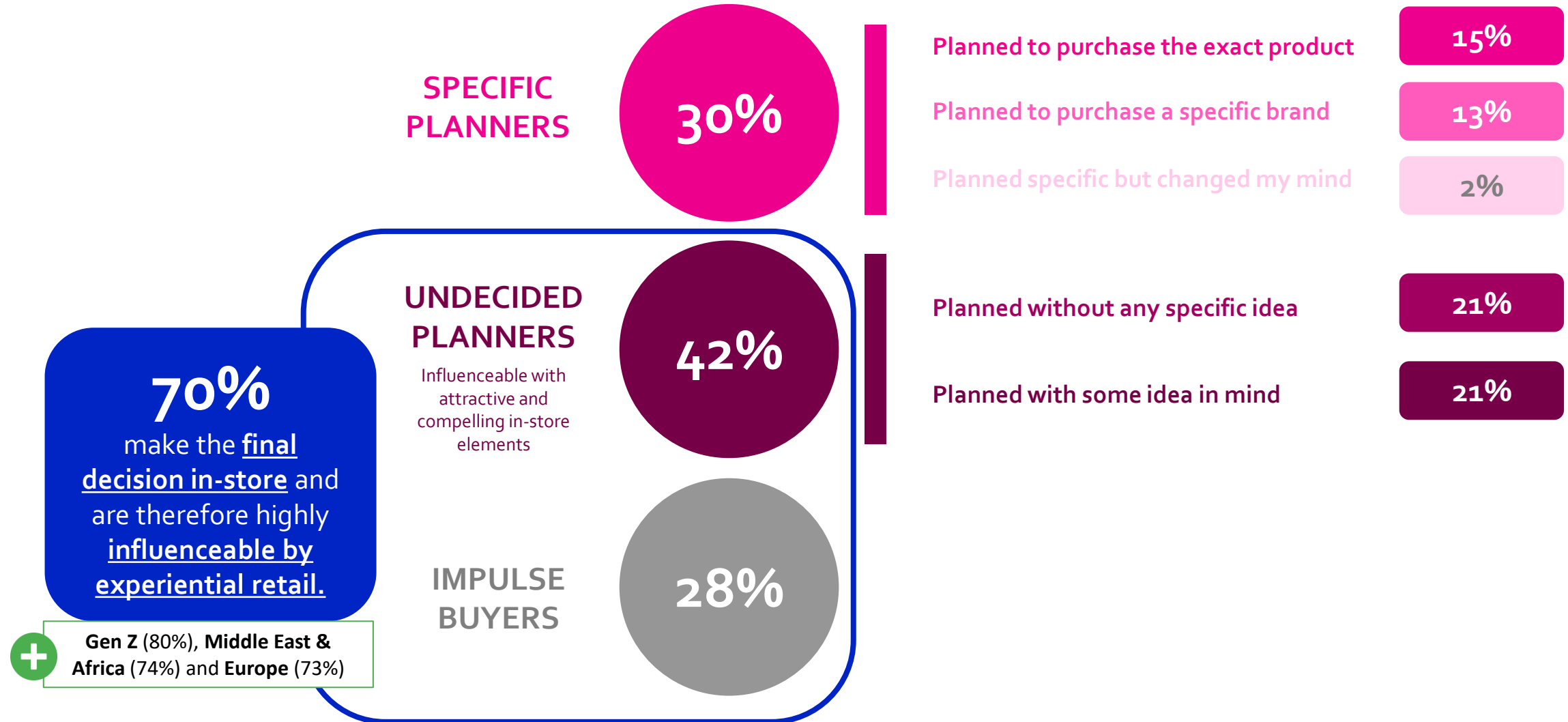
NO DIFFERENCE BY GENDER



MILLENNIALS	-21%
GENZ	-18%
MIDDLE-AGED	-17%
SENIORS	-10%

Why Experiential Retail in Travel Retail?

Planning Level of purchase



Why Experiential Retail in Travel Retail?

Overall travel experience

m1nd-set's research underlines the critical role that **experiences** play in travel retail, as they can significantly **impact consumer behavior, satisfaction, and purchasing decisions**.

On top, experiential retail is likely to affect the whole travel experience, thus involving **any stakeholder** in the industry:



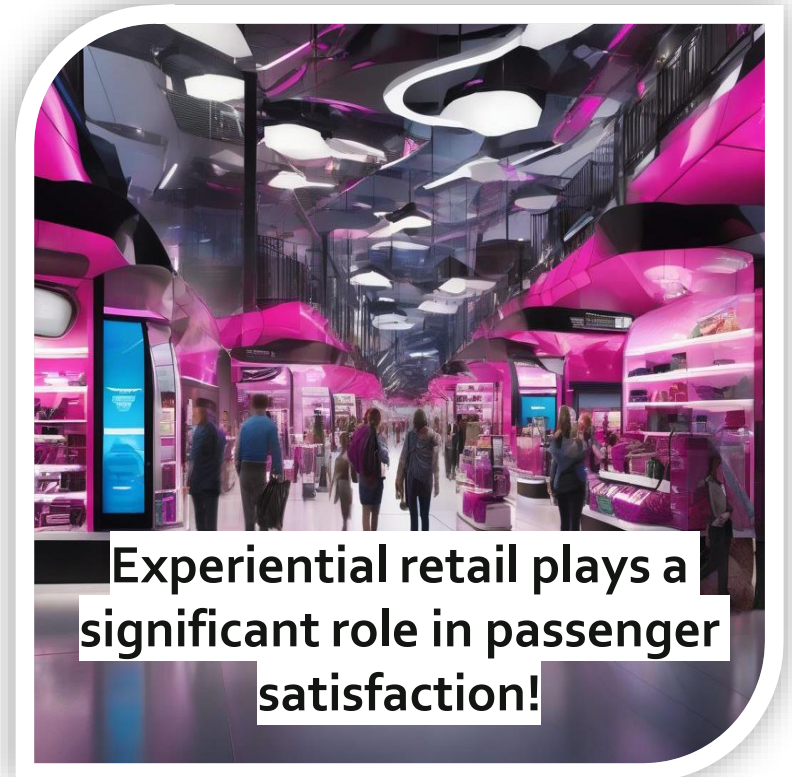
84%

of global travelers consider the **shopping experience** at airports to be an **important factor** in their **overall travel experience**



65%

of global travelers reported that their **overall airport experience** is significantly influenced by the retail options



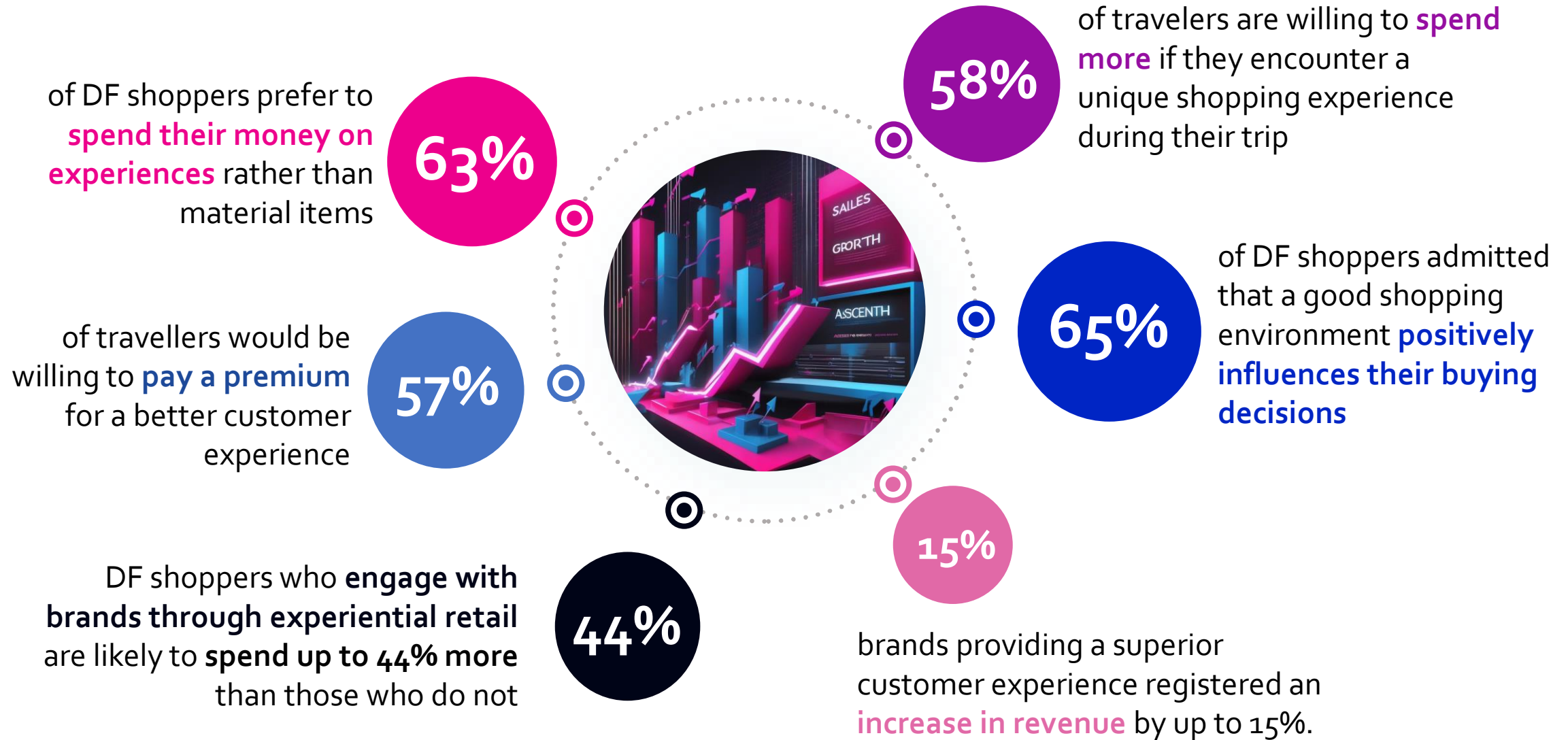
Experiential retail plays a significant role in passenger satisfaction!

What areas does Experiential Retail impact?

Experiential retail is a **growing trend** in the Travel Retail industry that focuses on **creating memorable and interactive experiences** for travellers:

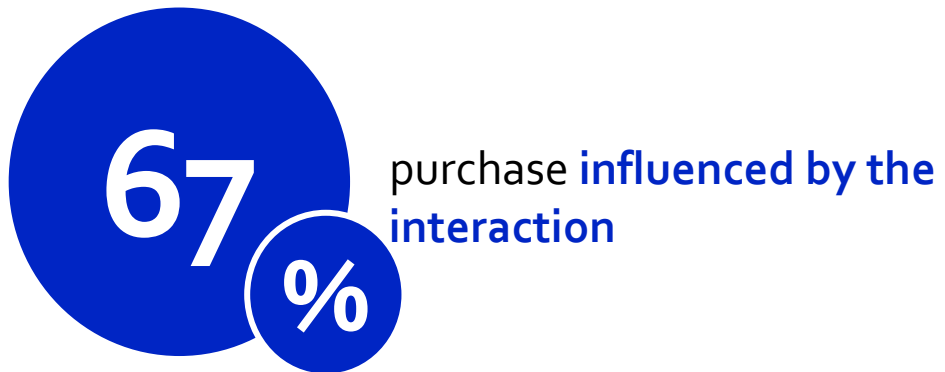


SALES GROWTH



SALES GROWTH

Interaction and influence of sales staff



SALES GROWTH

In-store trial and testing

59%

of travellers **try / test products**
in-store



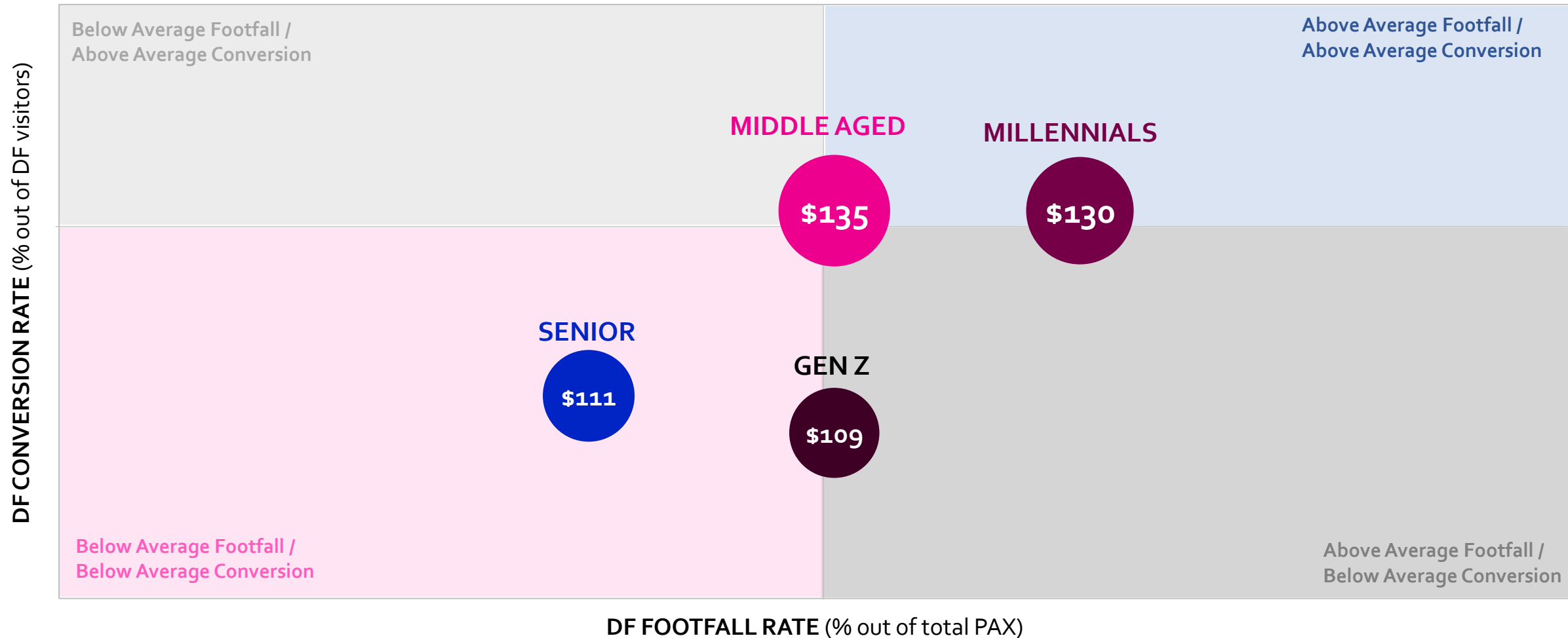
82%

purchase **influenced by the**
in-store trial / testing



CONSUMER PREFERENCES

Importance of **younger travellers** in Travel Retail:



Average footfall: 40% / Average Conversion: 64% / Average spend \$114

CONSUMER LOYALTY



43%

of travelers are likely to **share their in-airport experiences on social media**, boosting brand visibility.



55%

of DF Shoppers are more likely to make **repeat purchases** after having a positive brand experience.



65%

of DF Shoppers who have positive experiences are more likely to **return and recommend the brand to others**.

HYBRID SHOPPING



Hybrid shopping merges the **physical** and **digital shopping experience**.

Customers can **browse** and **purchase** products through **both in-store** and **online** channels.

HOW IT CAN BE IMPLEMENTED?



IN-STORE TECHNOLOGY

Virtual try-on, interactive displays, augmented reality, smart mirrors etc...



SEAMLESS CHECK-OUT

Payments in different locations of the POS, either at a physical till, online or via mobile app



ONLINE PRE-ORDERING

Options like “click-and-collect” combine the convenience of online shopping with the immediacy of in-store fulfilment



OMNICHANNEL STRATEGIES

PERCEPTION OF TRAVEL RETAIL VS DOMESTIC RETAIL FOR DIGITAL OFFERINGS



Online ordering / pre-ordering options



Coherent digital & physical experiences



Information available online (e.g. assortment, prices, promotions)



Usage of digital tools in-store

BETTER IN DOMESTIC VS TR

77%

65%

59%

42%

WOULD LIKE AN IMPROVEMENT IN TR

57%

69%

85%

74%



OMNICHANNEL STRATEGIES

COEXISTENCE BETWEEN DIGITAL AND HUMAN INTERACTIONS IN-STORE IS NEEDED AND EXPECTED

Example from Beauty

DIGITAL INTERACTION ONLY



- Shoppers using devices on their own
- Scan a QR code on their own

DIGITAL + HUMAN INTERACTIONS

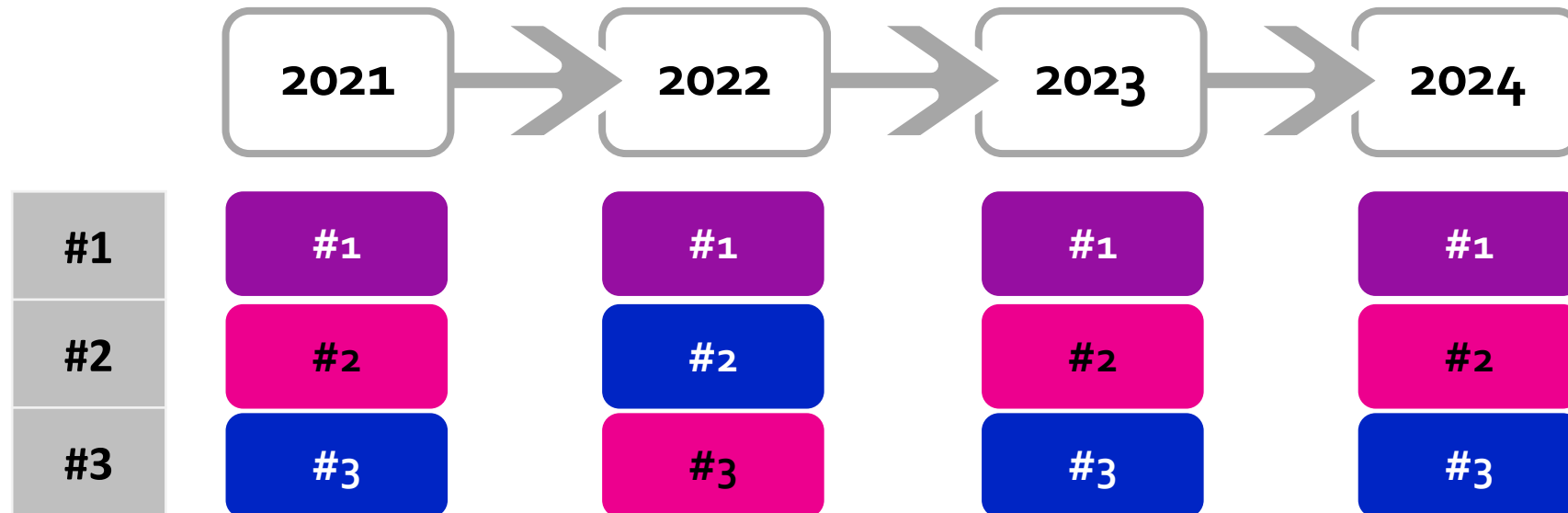


- BA conducts the service with a device for the shopper

HUMAN INTERACTION ONLY



- BA explains the products & provides recommendations



How can Experiential Retail be implemented in Travel Retail?

(1/4)



Interactive Stores

Design retail spaces in airports that allow travelers to **engage with products physically**.

For example, tasting stations for gourmet foods, or interactive displays where customers can learn about local crafts.



Local experiences

Integrate local culture into the shopping experience by offering products that showcase the **regional heritage**.

For example, collaborate with local artisans for pop-up shops that allow travelers to experience local artistry through workshops or live demonstrations.

How can Experiential Retail be implemented in Travel Retail?

(2/4)



Augmented reality

Use **AR technology** to enhance the shopping experience.

For example, travelers can scan products to see virtual demonstrations or get more information, making the retail environment more engaging.



Personalized service

Provide **personalized shopping assistants** or concierges who can guide travelers based on their **preferences and needs**.

For example, curated recommendations of local products or gifts.

How can Experiential Retail be implemented in Travel Retail?

(3/4)



Event hosting

Create **events** within the retail space, such as fashion shows, cooking demonstrations, or cultural performances that highlight **local culture** and **products**, drawing more foot traffic.



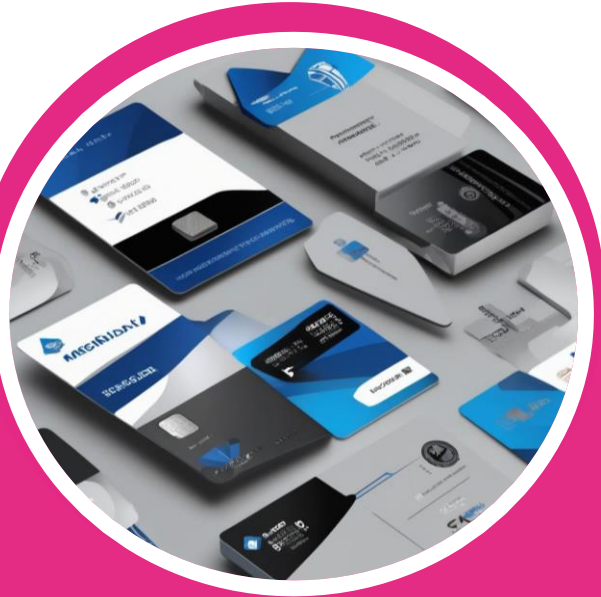
Themed areas

Design **themed shopping areas** that represent different regions or **aspects of travel**.

*For example, a beach oasis, city vibe, or mountain lodge—allowing for a more **immersive shopping environment**.*

How can Experiential Retail be implemented in Travel Retail?

(4/4)



Loyalty Programs with Experiences

Instead of just discounts, include **unique experiences** as part of loyalty programs, or **highly personalized discounts** tailored to the destination and consumer's purchasing history.

For example, exclusive access to local tours or events for frequent travelers.



Sustainable and Ethical Products

Highlight **eco-friendly and ethically sourced products**. Engaging travelers in discussions about sustainability can create a **deeper connection** to the products.

