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## DFWC 2023 Q1 KPI Monitor reveals rise in gifting and robust air traffic growth

**Gift purchasing, which has seen a steep decline since the pandemic, is on the increase once again according to the Duty Free World Council's 2023 Q1 KPI Monitor. Global air traffic during the last quarter also shows a healthy recovery, and is only 16% below the pre-pandemic level.**

The monitor, produced for the Council by leading industry travel and travel retail research agency m1nd-set, also shows that global air traffic is now surpassing or nearing pre-pandemic levels, across most world regions. The DFWC monitor incorporates traffic evolution data from m1nd-set's Business Intelligence Service (B1S), which is supplied by IATA's comprehensive DDS air traffic database and forecasting tool.

"Air traffic in both North America and the Middle East between December 2022 and February 2023 has now overtaken the traffic between December 2018 and February 2019" said Peter Mohn, CEO and Owner of m1nd-set. "North America's traffic was at 111% of the pre-pandemic level at 42 million of the last quarter, while in the Middle East, international departures were just over pre-pandemic levels at 103%, with 54 million international departures from the region during Q1 this year. Only Asia Pacific traffic shows a slower revival due to the staggered reopening across the region, particularly China, Mohn continued. "Asia Pacific traffic in Q1 2023 is only just over half the level it was at between December 2018 and February 2019 at 53 million international departures. In Europe and South America on the other hand, air traffic is just below the pre-pandemic level at 95% and 96% respectively."

The leading markets for international departures over the last quarter between December 2022 and February 2023 are also highlighted in the quarterly KPI monitor, featuring both the top 10 airports and nationalities for international departures. Dubai tops the ranking for international departure airports during the last quarter with 10.46 million departures. London Heathrow is in second place with 8.5 million departure passengers in Q1 2023 and Paris Charles de Gaulle is in third place with 7.5 million. Other leading international hubs featured in the top 10 airports for the last quarter, between December 2022 and February 2023, include Singapore Changi, Amsterdam Schiphol, Istanbul, Frankfurt, Seoul Incheon, Doha and Madrid.

The United States emerges as the leading market for departing nationalities, with over 37 million international departures among US citizens between December 2022 and February 2023. The UK follows with over 23 million, followed by Germany with 18 million and France just below 17 million. There were 14 million international departures among Indians during the period, putting Indians in 4<sup>th</sup> position. Italy follows in 5<sup>th</sup> position with just less than 13 million. Spain, Canada, South Korea and the Netherlands complete the top ten rankings for departing nationalities.



In terms of purchase destination, gifting is the only purpose to rise between Q4 2022 and Q1 2023. 27% of global shoppers purchased for gifting in Q1 this year compared to 25% during the previous quarter, however still much lower compared to before the pandemic. Shoppers tend to plan their purchases more than before also, according to the Q1 DFWC KPI Monitor. 77% of shoppers planned their purchase either specifically or partially in Q1 2023, compared 74% during the previous quarter, while the share of shoppers purchasing on impulse declined 3 points from 26% to 23%.

DFWC Chairman Sarah Branquinho welcomed the latest KPI Monitor findings: "One of the key benefits of the DFWC KPI Monitor is its ability to track the trends across the various behavioural aspects over time. This enables DFWC members and their respective member companies to maintain their finger on the pulse in terms of where we are performing well as well as where improvements need to be made. The fluctuation in the purchase drivers monitored such as value for money, convenience, and brand loyalty, as well as the barriers such as the lack of motivating promotions, reveal where we need to focus on improving communications to passengers.

"While we may believe we are consistent and consistently improving, the shopper perception is less constant. Once again, Branquinho continued, "we see many changes, but consistency in the positive impact of staff. Industry stakeholders must take heed of these trends and act accordingly" she concluded.

**ENDS.**

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### About m1nd-set

m1nd-set is the largest independent and privately owned travel and travel retail research agency, based out of Switzerland. It conducts research for clients across all world regions, working for over one hundred companies in the travel sector, including brands from all product categories, as well as a number of the duty free and travel retail associations and several leading retailers in the industry.

m1nd-set is present with local interviewers at over 60 airports on a regular basis to conduct on-site research. It also has its own database of regular international travellers. Corporate social responsibility is a fundamental part of the company's philosophy, and each year commits a minimum of 10% of profits to charity, mainly for unprivileged children in developing countries.

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