



The India Effect

Exploring how Indian travelers are dramatically reshaping MEA's travel retail across key sectors.

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All data sources cited on individual slides

Unlocking the Power of Indian Travelers



Booming Growth Ahead

Indian outbound travel is surging, with **+50% growth expected over the next 5 years**. This demographic shift presents a transformative opportunity for MEA travel retail.



Evolving Consumer Profile

Indian travelers are shifting to **brand-conscious, experiential buying**. Millennials & Gen Z prioritize premium brands and unique shopping experiences.



Strategic Regional Influence

Their spending patterns increasingly influence key MEA hubs, serving as major transit and destination platforms connecting India to global markets.

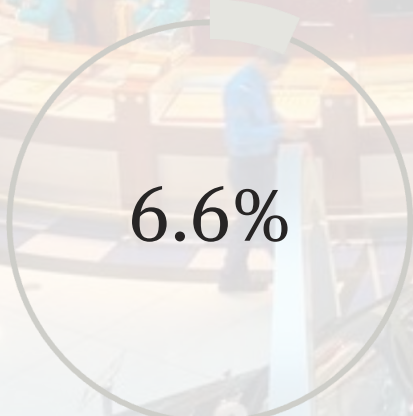
Sources: IWSR, InsightTrendsWorld



MEA Travel Retail: A Market on the Rise



Market CAGR
Forecast growth (2025-34)



Global Share
MEA's slice of worldwide travel retail (2024)

Driving the Growth: Key Factors

- 1 Airport Expansions
World-class retail destinations in Dubai, KSA, Qatar.
- 2 Global Crossroads
Increasing international transit flows.
- 3 Luxury Demand
Rising consumption & travel retail-oriented behavior.
- 4 Strategic Hub
Gateway for global travelers, including Indian segments.



Unpacking Indian Traveller Trends: Key Insights

Engaging with Staff

- **65%** of Indian shoppers interact with staff (vs. 47% globally)
- **82%** say staff interaction positively influences purchases (vs. 71% globally)

Brand Appeal

- **19%** value brand "stylishness" (vs. 10% global)
- **17%** seek "differentiation" (vs. 11% global)

Indian Spending Power in MEA: By the Numbers

\$266M

Dubai Duty Free Purchases

Indians are the top nationality for DDF spend (12.3% of total in 2023)

13%

MEA International Passengers

Indian travellers represent a significant consumer base in the region

250%

Luxury Spending Surge

Higher abroad spending in early 2024 vs. five years prior

At Dubai Duty Free, key categories for Indian spend include:

- **Liquor:** ~14%
- **Gold:** ~10%
- **Fragrances:** ~17%

Sources: trbusiness.com, INDIA OUTBOUND, Moodie Davitt Report, dfnionline.com, The Economic Times



Pouring Insights: Indian Liquor & Spirits Trends

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Whisky Dominance

74% of India duty-free spirits volumes; Scotch is ~65% of this.

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Market Growth

13% growth in total beverage alcohol volume growth in India travel retail (2024).

Rising Sips: Emerging Spirit Trends

Japanese Whisky

Volumes surged **+110% in 2024**.



Irish Whiskey

Strong growth of **+51% YoY**.



Vodka

+48% increase in volumes.

Key Implication: Indian travellers show strong liquor interest, driven by gifting culture and premiumisation. This significantly influences travel retail demand in MEA hubs.

Sources: IWSR, InsightTrendsWorld

Confectionery & Gifting: Sweet Opportunities!



Global Market Growth
Travel retail food & confectionery market is expanding rapidly.



High MEA Engagement
A top category for MEA shoppers, with frequent visits.



Indian Traveller Favorite
Highly preferred for gifting and personal treats.

\$4.84B

Current Market Value

Global travel retail food & confectionery in 2024.

\$7.79B

Future Growth

Projected market value by 2030.

27%

MEA Visit Rate

Confectionery visit rate among MEA shoppers.

52%

Indian Preference

Indian travellers rank confectionery as a top purchase category.

"Confectionery remains a strong and stable gifting and impulse category for Indian travellers, making it highly relevant for MEA duty-free retail environments and brand assortments."

Sources: Weitnauer Group, gtrmag.com, dfnionline.com

Unlocking Potential: Premium Smoking Goods



MEA's Tobacco Edge

26% visit rate in MEA duty-free, exceeding the 25% global average.



Indian Traveller Focus

Premium tobacco and cigars remain a **meaningful niche**, despite liquor dominance.



Strategic Synergy

Combine with liquor and gifting to meet Indian demand for **premium tobacco lines**.

Source: gtrmag.com



Luxury Fashion's Next Wave: India & MEA

Unpacking the significant growth of fashion and accessories in travel retail.

6%

India CAGR (2024-2030)

Projected annual growth for fashion & accessories in India travel retail.

MEA Market Expansion

- Rapid growth in travel retail.
- Driven by luxury brands and aspirational buyers.

Indian Traveller Evolution

- Fashion & luxury are now key travel retail buys.
- Focus on premium hubs and transit shopping.

- ❑ **Strategic Opportunity:** MEA retailers must align merchandise, experiences, and marketing to Indian travellers' demand for premium accessories, travel gear, and lifestyle products.

Sources: Kearney, MarkWide Research



Decoding Indian Shoppers in MEA

Key Insights on Buying Behaviour



Savvy & Seeking Value

65-70% compare prices across outlets.

Value-conscious, but desire premium brands & exclusive travel editions (liquor, confectionery).



Cross-Category Buying Power

Frequent purchases across liquor, tobacco, & confectionery. **Liquor/wine buyers often add chocolates, perfumes, or accessories** (gifting). High overlap signals opportunity for basket growth via adjacency.

Sources: trbusiness.com, dfnionline.com, MEA retailer data, DDF Annual Report 2023



Sales Engagement Drives Decisions

Over **60% interact with sales staff**; **75% influenced** by these interactions.

Responsive to storytelling, gifting recommendations, and bundle promotions.



Driving Growth: Recommendations to drive penetration for MEA Travel Retail



Curate Assortments

Focus on premium, gifting, and exclusive products in liquor, confectionery, and tobacco, tailored for Indian travellers.



Engage & Attract

Tailor campaigns to Indian traveller expectations: brand prestige, gifting, premiumisation, and experiential shopping.



Enhance In-Store Experience

Invest in staff training, language adaptation, and category bundling to convert browsing into purchases.



Leverage Data Insights

Monitor segmentation, purchase behaviour, and cross-buying to optimise retail strategies effectively.



Forge Strong Partnerships

Collaborate with brands and distributors who understand Indian demand for luxury and exclusives.

The "India Effect" extends beyond origin markets—it's fundamentally reshaping expectations and category dynamics across MEA travel retail hubs.