FIRST CLASS ADVERTISING

THE ENDURING MAGIC OF AIRPORTS

Ipsos x JCDecaux Airport

Contents

Foreword

Greetings and welcome,

The global air traffic industry, despite a slow but steady recovery in China, is poised for a remarkable resurgence as projections indicate a return to pre-pandemic air traffic levels this year, marking a significant milestone after enduring years of unprecedented turbulences. Against this backdrop, we find ourselves at a juncture where providing a fresh understanding of the dynamics of airport environments and the behaviours of air passengers has never been more critical.

JCDecaux, as pioneers in airport advertising and stewards of innovation, acknowledges **the pivotal role airports play not only as transit hubs but also as vibrant spaces for engagement and connections.** As such, it is incumbent upon us to provide an updated perspective on air passenger profiles, their travel frequency, their evolving relationship with the airport environment, and their perceptions of airport advertising.

It is thus with great pleasure and a sense of duty that we unveil the findings of our latest research, **"First Class Advertising – The Enduring Magic of Airports".** Commissioned by JCDecaux and conducted by Ipsos, this comprehensive study takes a deep dive into the world of airport advertising, offering insights that are both timely and enlightening.

By discerning their preferences and unravelling their interactions with airport spaces, our research endeavours to depict a clear and authentic portrait of today's air passengers. It also showcases **the remarkable evolution of airports in creating memorable sense-of-place experiences for travellers.** Furthermore, our research underscores that airport advertising is **more powerful and influential** than ever before.

We are deeply grateful for the invaluable input and support provided by our 4 outstanding industry experts: **Olivier Jankovec,** Director General of ACI Europe; **Paul Griffiths,** CEO of Dubai Airports; **Erik Juul-Mortensen,** President of TFWA; and **Tak Ha,** Research Director at Ipsos UK. Their insights and feedback on the key findings of the research have greatly enriched this project, and we extend our sincere thanks to each of them.

It is our hope that the insights gleaned from this research will not only enrich your understanding but also inspire innovation and collaboration in shaping the future of airport advertising.

We extend our heartfelt gratitude to all those who have contributed to this endeavour, whose insights have lent depth and clarity to our findings. May this paper serve as a catalyst for continued dialogue and exploration, as we navigate the ever-changing currents of the air traffic landscape together.

Thank you for embarking on this journey with us.

First Class Advertising
The Enduring Magic of Airports

Key findings

This global survey, conducted by Ipsos from November to December 2023, gathered online responses from 11,368 respondents across 14 markets.

Flyers are a premium audience

The typical flyer profile skews younger and wealthier compared to the general population

INDEX 111 for aged 25-44

INDEX 123 for high-income compared to the general population

Among flyers, some segments are very valuable

THE BUSINESS FLYERS	42%
THE DECISION MAKERS	32%
THE FREQUENT FLYERS	22%

The most valuable segments of flyers over index in airports where JCDecaux is present

46% OF FLYERS PASSING THROUGH AIRPORTS WHERE JCDECAUX IS PRESENT ARE HIGH INCOME EARNERS

VS

43% FOR ALL FLYERS

35% FOR THE GENERAL POPULATION

Climate change is among top 3 flyers' concerns. Changes to a more sustainable lifestyle in the future revolve more around day-to-day behaviours

TOP 3 CONCERNS:

1. Climate change
2. My or my family's health
3. War or Terrorism

Business flyers have taken more trips in the last 12 months than the average flyer

4.9 trips for Business flyers VS **3.6** trips for the average flyer

The airport experience is a special moment and an integral part of the journey

Travellers arrive early at the airport, allowing time to fully engage with the airport experience

53% of flyers in the past 12 months arrive at the airport at least **2 HOURS** BEFORE THEIR FLIGHT

Flyers recognize and value the unique allure of airport environment

71% agree that the airport is important to them, the way it is laid out and the atmosphere.

71% indicate the airport experience is special, and very different from everyday life.

68% agree that the airport is part of their holiday / travel experience.

Flyers at the airport have a very positive mindset

TOP 3 FEELINGS:

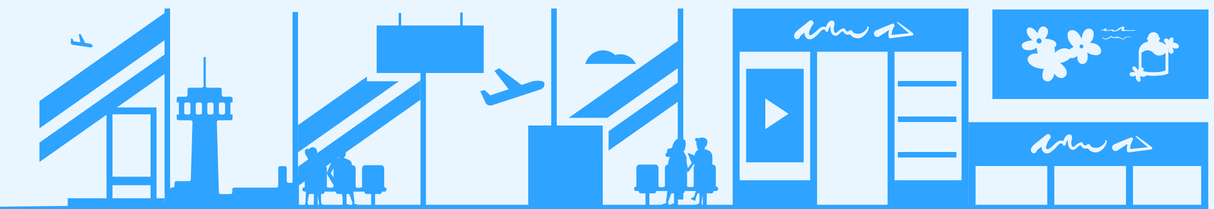
1. Excitement
2. Anticipation
3. Curiosity

Shopping is an integral part of the airport experience

HAVE SPENT MONEY AT THE AIRPORT	85%
DO NOT PRE-PLAN THEIR AIRPORT PURCHASES	65%
FEEL MORE AT EASE PURCHASING LUXURY ITEMS AT THE AIRPORT OVER OTHER RETAIL VENUES	47%

First Class Advertising
The Enduring Magic of Airports

Airport advertising is more powerful and influential than ever



70% of travellers enjoy looking at the exhibition stands, shops, advertising, and other things to see at the airport.

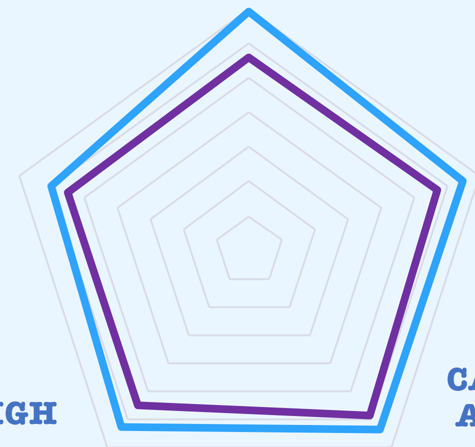
AFTER BEING EXPOSED TO AN AD IN AIRPORT,

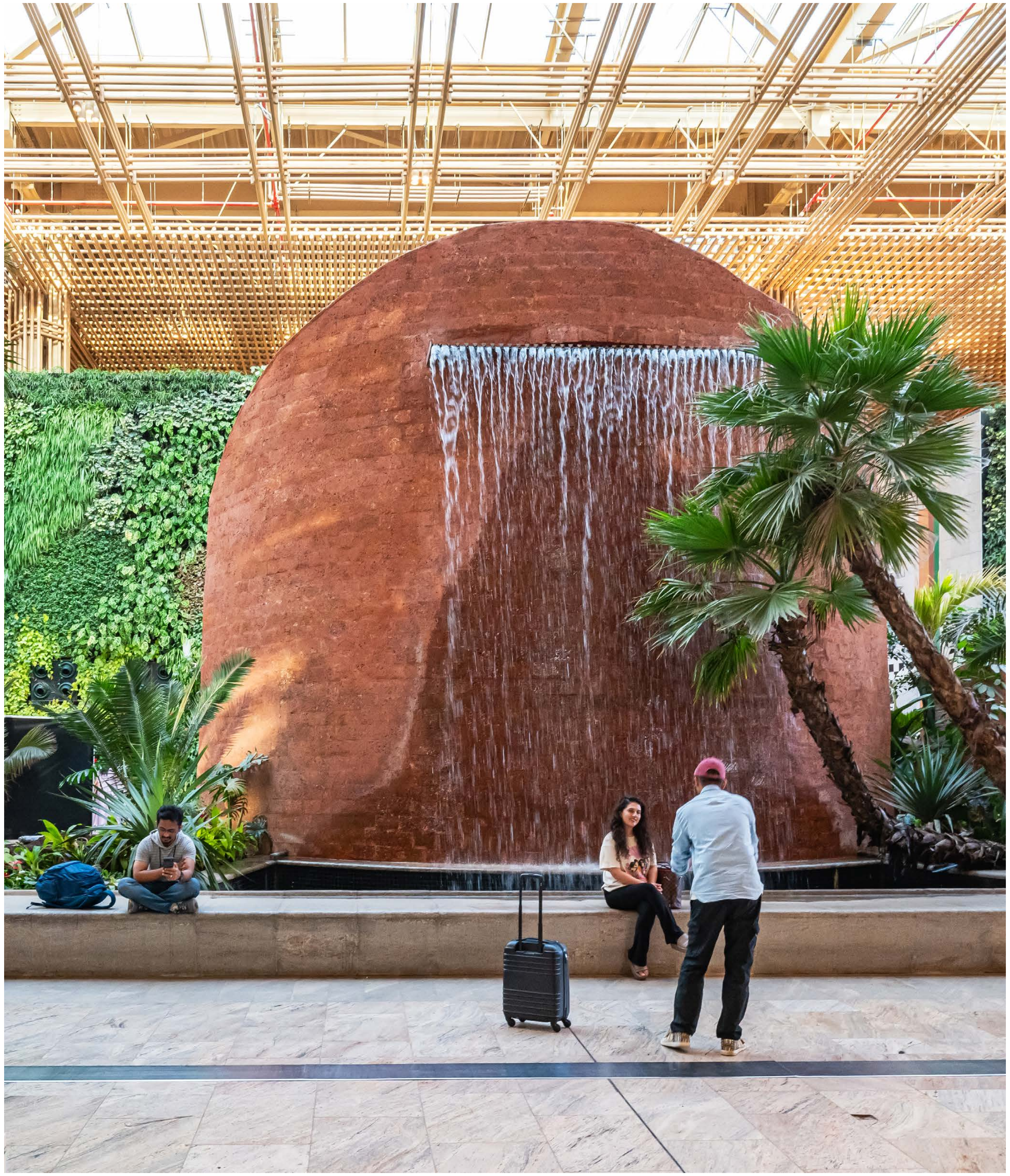
77%

claim to have taken at least one engagement or commercial action during or after one of their trips in the last 12 months

Flyers view airport advertising more favourably than online and social media ads across key metrics

Metric	Airport	Online / Social Media
Gives the brand an international status	69%	56%
Enhances a brand image	65%	57%
Catches my attention	64%	59%
Makes me believe a brand is high quality	63%	55%
Is creative	60%	55%





Introduction

While the Covid-19 pandemic dealt a severe blow to global air traffic, the pace and strength of recovery have exceeded the greatest hopes. The reopening of Chinese borders in 2023 removed the last obstacle to the full recovery of global air traffic, with little left to hamper the unstoppable forces of global mobility.

Forecasts now paint an encouraging picture of the dynamics of air travel in the years ahead. **Projections suggest that air traffic will overcome pre-pandemic levels in 2024,** with an estimated 9.7 billion passengers by year's end, signifying a significant milestone in the industry's post-pandemic recovery. Looking further into the future, the outlook remains optimistic, with air traffic anticipated to surge by 30% by 2027 compared to 2019 levels. This upward trajectory is underpinned by a steady rise in the proportion of international passengers, driven by a resurgence in traveller confidence.

However, amidst this positive outlook, geopolitical and macroeconomic uncertainties loom, casting shadows of concern over air transport demand. Yet, **the global air traffic industry has demonstrated unparalleled resilience and foresight,** remaining steadfast in its commitment to future growth. Key stakeholders are actively reimagining and fortifying their strategies to ensure long-term sustainability and prosperity.

Our research provides an updated perspective on air passenger profiles, their relationship with the airport environment and their perception of advertising within airports.

The **"First Class Advertising - The Enduring Magic of Airports"** research provides an updated perspective on air passenger profiles, their relationship with the airport environment and their perception of advertising within airports.

It reaffirms **the premium value of flyers as an audience group,** underscores **the imperative of a sustainable transition** amid heightened consumer awareness of climate change and outlines industry commitments to address this crucial issue.

The report also emphasizes **the indispensable role of airports in enhancing the travel experience,** as flyers indicate it is an integral part of their journey. Airports are investing heavily to cultivate meaningful connections with travellers, delivering exceptional service and eliminating pain points.

Lastly, it highlights the **influential role of airport advertising** in meeting traveller expectations and providing brands with **a premium platform** to engage with highly sought-after audiences.

We trust that the insights gleaned from this report will empower our partners and the broader industry to navigate the evolving landscape effectively, ensuring a prosperous future for all stakeholders involved.

Source: International Civil Aviation Organization (ICAO)

The unshakeable relationship of flyers and high-income

Flyers in airports where JCDecaux is present tend to be even more affluent than the average flyers.

Flyers stand out as a premium audience group compared to the general population.

Within flyers, some groups are of particular value: Business Flyers, Decision Makers or Frequent Flyers.

The "First Class Advertising – The Enduring Magic of Airports" research reveals that **flyers represent a premium audience group,** exhibiting a demographic profile skewed towards younger age brackets and higher socioeconomic status compared to the general population.

Further analysis reveals **three distinct segments among flyers, each amplifying their value to advertisers.** Business Flyers, constituting 42% of respondents, are characterized by predominantly high-income earners, frequent flyers, and decision-makers. Decision makers, accounting for 32% of respondents, are marked by high-income earners and having influence within their business or sector. Additionally, Frequent Flyers, comprising 22% of respondents, exhibit significant overlap with business flyers and high-income earners.

Notably, **as an average of the 21 major hubs where JCDecaux is present and which were part of this research, flyers emerge as even more affluent, owing to the global prominence of these hubs.**

Overall, flyers represent a coveted audience demographic, distinguished by their affluent status, bustling schedules, and time constraints. Their premium status and busy lifestyles pose challenges for traditional media channels seeking to engage them effectively. Nonetheless, **airports offer a captive platform uniquely suited to connect with this audience.** This dynamic environment presents an enticing opportunity for advertisers and agencies to effectively target this affluent and influential segment, leveraging the captive nature of airport spaces to drive impactful brand engagement and messaging.

Sustainability matters

The desire to travel remains strong, and traffic outlooks are very positive for the coming years.

Climate change is a top concern among flyers. Yet, changes to a more sustainable lifestyle in the future revolve more around day-to-day behaviours.

The aviation industry is committed to a transformation for a more sustainable future.

The research provides valuable insights into the travel behaviour over the past 12 months. **Leisure emerges as the primary reason for flying,** with 85% of respondents indicating leisure-only purposes. Business-only travel follows behind, accounting for 35% of respondents, while 22% reported flying for bleisure purposes, combining business and leisure.

Flyers exhibit **a mix of domestic and international flights,** with a notable proportion engaging in short-haul international trips (less than 4 hours).

The survey also delves into changes in travel behaviour compared to pre-Covid times. While **61% of respondents either maintained or increased their travel frequency,** breakdowns reveal nuanced shifts. Business-only trips remained steady, while leisure-only trips saw an uplift, with 21% reporting increased travel compared to pre-Covid levels. The increase in bleisure trips is primarily driven by business flyers, with 14% indicating more bleisure travel.

The research highlights **the robustness of air travel intentions despite the challenges posed by the pandemic.** Firstly, over half of the respondents (52%) indicate that the pandemic has not altered their travel preferences, even if they have travelled less. This sentiment is particularly pronounced among Business Flyers (59%) and Frequent Flyers (56%). Secondly, more than half of the respondents (51%) express a desire to travel more than ever before due to the pandemic. This inclination is especially prevalent among Business Flyers (58%), Frequent Flyers (60%), and Gen Z Flyers (54%).

The resilience of air travel is further underscored by statistics and forecasts from leading airport authorities such as the International Civil Aviation Organization (ICAO). Global passenger traffic rebounded strongly in 2023, reaching 95% of 2019 levels, with 8.6 billion travellers. Projections indicate **a full recovery in 2024, with passenger traffic expected to surpass pre-pandemic levels to reach 9.7 billion, equivalent to 106% of 2019 levels.**

The outlook for the coming years remains highly optimistic, with baseline projections suggesting a significant increase of 30% in global passenger traffic by 2027 compared to 2019 levels. These forecasts indicate a sustained and robust recovery trajectory for the aviation industry, emphasizing the enduring appeal and resilience of air travel despite the unprecedented challenges posed by the pandemic.

However, while flyers are back in the sky, they are also very mindful about their environmental impact. Indeed, **climate change emerges as a top concern among flyers,** with 38% expressing worry about its implications. This concern is on par with other pressing issues such as health (37%) and war or terrorism (36%). Moreover, travellers are not just expressing concern; they are **taking tangible actions towards sustainability.** Half of the respondents (50%) are willing to adopt more eco-friendly practices at home, such as saving energy, while 44% are committed to actively avoiding products with excessive packaging or single-use plastics. Additionally, 10% of respondents are considering reducing their air travel in the future as part of their efforts to combat climate change.

All in all, **those findings underscore travellers' commitment to mobility while also highlighting their dedication to reducing their carbon footprints through thoughtful decision-making.** Indeed, it is evident that flyers express genuine concerns about their carbon footprint when it comes to air travel and climate change overall. However, many individuals engage in a form of arbitrage, balancing their environmental values with other considerations such as convenience, cost, and personal preferences. This nuanced understanding of traveller behaviours is crucial for developing targeted strategies to promote more sustainable travel practices effectively.

In response to these concerns, **the aviation industry is actively committed to a transformation towards a more sustainable future.** The International Air Transport Association (IATA) recently approved a resolution aiming for the global air transport industry to achieve net-zero carbon emissions by 2050. As of today, aviation accounts for 2% of global energy-related CO_2 emissions (*source IEA - 2022). This ambitious commitment aligns with the goals of the Paris Agreement, aiming to limit global warming to within 2°C.

The strategy to achieve this target involves a multifaceted approach. Firstly, efforts will focus on abating as much CO_2 emissions as possible through in-sector solutions, including the adoption of sustainable aviation fuels, advancements in aircraft technology, implementation of more efficient operational practices, and investment in infrastructure for new zero-emissions energy sources such as electric and hydrogen power. For emissions that cannot be entirely eliminated at the source, out-of-sector options such as carbon capture and storage, along with credible offsetting schemes, will be utilized.

By implementing the needed measures and fostering collaboration among industry stakeholders, the aviation sector aims to play a significant role in mitigating climate change while ensuring sustainable growth and development for the future.

Source: International Civil Aviation Organization (ICAO)

Interview extract:
Olivier Jankovec,
Director General of ACI Europe

Question from JCDecaux:

In 2023, global passenger traffic rebounded impressively, surging to 8.6 billion travellers, and reaching an encouraging 94.2% of 2019 levels. Projections for the near future suggest a robust recovery trajectory, with the aviation industry anticipated to fully regain its 2019 momentum by 2024, accommodating a projected 9.4 billion passengers. How do you foresee the industry evolving in the coming years, and what strategic considerations do you believe will be crucial in navigating the complexities of this post-pandemic resurgence?

> **"One notable shift since the onset of the pandemic is a fundamental change in consumer behaviour, with individuals prioritizing experiential spending over material consumption. This paradigm shift bodes well for the travel and aviation sectors, underpinning continued positive prospects."**

Answer from interviewee:

Undoubtedly, the past year has been marked by significant milestones, with Europe's airports achieving a remarkable recovery to 95% of pre-pandemic passenger volumes, welcoming a staggering 2.3 billion travellers. However, it's crucial to acknowledge the nuanced nature of this recovery, characterized by varying speeds and trajectories across different markets.

While some markets, like Albania, have experienced exceptional growth, surpassing pre-pandemic levels by 117%, others, such as Finland, still lag behind by nearly 30%. This divergence underscores the fragmented nature of European aviation markets, reflective of evolving recovery patterns that are becoming increasingly structural.

Two predominant factors have shaped this new reality: the resurgence of leisure and bleisure travel as primary drivers of recovery, despite a significant uptick in airfares, and the notable expansion of ultra-low-cost carriers alongside the retrenchment of network carriers.

Moreover, the prominence of international traffic over domestic routes, coupled with geopolitical tensions, further contribute to market fragmentation, impacting certain regions more profoundly than others.

Looking ahead, while we anticipate a narrowing of performance gaps, structural changes and geopolitical uncertainties suggest that complete convergence may remain elusive. However, prospects for 2024 remain promising, with passenger traffic expected to grow by 10,6% compared to the previous year, surpassing pre-pandemic levels.

One notable shift since the onset of the pandemic is a fundamental change in consumer behaviour, with individuals prioritizing experiential spending over material consumption.

This paradigm shift bodes well for the travel and aviation sectors, underpinning continued positive prospects.

In navigating this uncertain landscape, strategic flexibility and agility are paramount. European airports are increasingly pivoting towards a new value creation model anchored in sustainability, digitalization, and diversification. These pillars will undoubtedly drive the evolution of the airport business model, ensuring resilience and adaptability in the face of future challenges.

Interview extract:
Erik Juul-Mortensen,
President of TFWA

Question from JCDecaux:

Global passenger traffic reached 8.6 billion travellers in 2023, corresponding to 94.2% of 2019 levels. The baseline projections for global passenger traffic indicate that the industry will recover to 2019 levels by 2024, reaching 9.4 billion passengers (source: ICAO). Do you observe a similar trajectory of recovery in the travel retail industry, and how optimistic are you about the industry's prospects in the coming years?

Answer from interviewee:

In response to the question of my outlook for the future, I am undeniably optimistic. However, it's essential to acknowledge that returning to the pre-pandemic status quo of 2019 may not be feasible. The landscape has evolved, consumer behaviours have shifted, and it is imperative that we adapt accordingly to meet their evolving needs and preferences.

Our industry has demonstrated remarkable creativity in attracting and engaging consumers, evident in the dynamic developments within the Duty-Free sector across airports worldwide. This adaptability is crucial, as reliance on traditional approaches is no longer sufficient to meet the demands of today's travellers.

> ***"Despite the changes, one constant remains: people's desire to travel and indulge in retail experiences while doing so."***

Despite the changes, one constant remains: people's desire to travel and indulge in retail experiences while doing so. This reaffirms my confidence in the future of Duty-Free and Travel Retail, as we continue to innovate and evolve to meet the needs of our discerning clientele.

In essence, while acknowledging the need for adaptation, I am firmly optimistic about the future of duty-free and travel retail, buoyed by our industry's resilience, creativity, and unwavering commitment to delivering exceptional experiences to travellers worldwide.

Interview extract:

Olivier Jankovec,
Director General of ACI Europe

Question from JCDecaux:

The "First Class Advertising - The Enduring Magic of Airports" research shows that climate change is the number one concern of travellers, before an individual's health or war and terrorism. However, when asked about exploring potential actions to enhance the sustainability of their lifestyles, respondents tend to focus on modifying behaviours in areas other than directly curbing or offsetting air travel. Considering the broader sustainability and decarbonization challenges within the aviation industry, how do you perceive these challenges impacting the industry as a whole? Could you elaborate on how airports are collaborating with partners in their ecosystem to build a decarbonized airport?

Answer from interviewee:

"For the aviation industry, decarbonization is no longer just about a licence to grow. It is today increasingly about keeping the licence to operate."

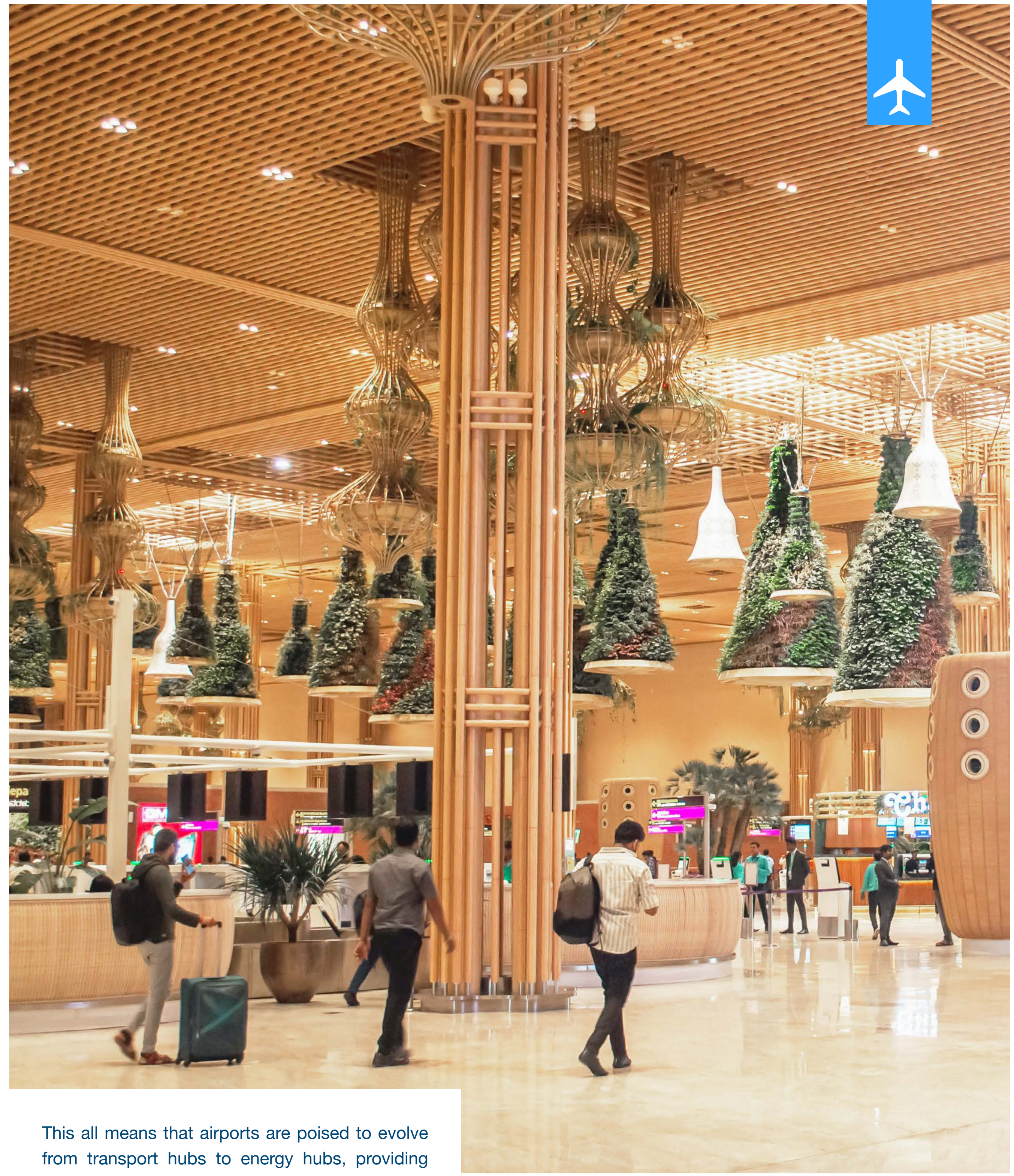
Indeed, tackling the climate impact of aviation and airports stands as a formidable challenge, often referred to as the "mother of all challenges". Achieving full decarbonization by 2050, in line with EU climate goals, is paramount for the industry.

It is reassuring to see a growing awareness of carbon reduction strategies among individuals, indicating a societal acknowledgment of the importance of travel in fostering connections. Our European identity, characterized by the freedom of movement enshrined in EU Treaties, underscores the significance of safeguarding this mobility. Yet, safeguarding it necessitates decarbonization. Failure to do so not only undermines our commitment to environmental stewardship but also risks compromising the very essence of our societal fabric.

For the aviation industry, decarbonization is no longer just about a licence to grow. It is today increasingly about keeping the licence to operate. The collective strides made by the aviation sector, notably through initiatives like the Airport Carbon Accreditation program spearheaded by ACI, evoke a sense of pride. With nearly 300 airports, encompassing 80% of European air traffic, achieving certification, climate action and carbon management have entrenched themselves as linchpins of airport operations.

While progress has been made in reducing emissions under our direct control (Scope 1), the focus now extends to upstream and downstream emissions (Scope 3). Collaboration with all operational stakeholders—airlines, retailers, concessionaires, ground handlers—is imperative to mitigate their carbon footprint. Many airports are already engaged in this effort, facilitated by initiatives like the Airport Carbon Accreditation program, which mandates stakeholder engagement for certification.

The ultimate challenge lies in ensuring the availability of sustainable aviation fuel and preparing for zero-emission aircraft. This will require airports to access massive amounts of green energy to cater for future aircrafts with alternative propulsion systems. Such a transformation demands significant investments and coordinated planning as part of the EU and national energy policies.



This all means that airports are poised to evolve from transport hubs to energy hubs, providing green energy not only to airport users and airlines but also to surrounding communities. This transition promises to redefine our societal relevance beyond air connectivity.

In essence, as connectors for all aviation, we recognize the imperative of decarbonization for sustainable growth and societal well-being.

The enduring magic of airports, a special experience for travellers

Travellers arrive early at the airport and with a positive mindset to engage with the airport experience fully.

Airports hold a special allure for travellers, serving as integral components of their overall travel experience rather than mere stopovers.

Shopping is an integral part of the airport experience, and 2/3 of flyers do not pre-plan their purchases at the airport.

The research challenges common misconceptions about airport arrival times, revealing that **53% of flyers in the past 12 months arrive at least 2 hours before their flight,** suggesting they may be deliberately allocating time to savour the airport experience. Both domestic and international flyers prioritize arriving early, with 42% of domestic flyers and 60% of international travellers arriving at least 2 hours before their flight. This trend is particularly notable among Business travellers, with 46% of domestic business flyers and 59% of international business travellers arriving early. This contradicts the misconception that all Business flyers arrive at the last minute, emphasizing a possible deliberate allocation of time to enjoy the airport experience.

Furthermore, the survey highlights **the positive mindset of flyers at the airport,** with excitement, anticipation, and curiosity being the predominant feelings experienced by travellers, whether at departures or arrivals.

Our survey emphasizes **the pivotal role of airports in the travel journey,** highlighting them as more than just places of transit but integral components of the overall travel experience. A substantial 71% of respondents say the airport's layout and atmosphere are important to them, while the same percentage acknowledges its experience is special and distinct from everyday life. Moreover, 68% affirm that the airport is an essential part of their holiday or travel experience.

Shopping emerges as a cornerstone of the airport experience, with 85% of flyers having made purchases at airports in the past 12 months. Notably, 65% of travellers do not pre-plan their airport purchases, indicating a significant opportunity for brands to influence spontaneous consumption.

Indeed, **a sizable portion of travellers engage in spontaneous purchases at airports,** particularly individuals from India, Saudi Arabia, Hong Kong, and the UAE. High Airport Spenders also exhibit a higher tendency for spontaneous purchases. Further analysis reveals that a considerable portion of travellers demonstrate substantial spending at airports, with 42% spending over $100 USD and 17% surpassing the $500 USD mark in the past year. Passengers from India, the UAE, Brazil, and Saudi Arabia exhibit the highest propensity for airport spending, especially among Decision Makers, Business Influencers, Business Flyers, and Frequent Flyers.

The top categories purchased at airports include confectionery, fragrances/perfumes, and beauty products, with Chinese and Indian flyers being the most prevalent over-indexing nationalities in airport shopping. Interestingly, close to **half of the surveyed flyers (47%) express a heightened sense of comfort when purchasing luxury items at airports, with fragrances being the top luxury category purchased.**

Moreover, our research highlights that **many flyers engage in window-shopping at airports. Fragrance, beauty, and fashion are the top categories browsed at airports,** presenting advertisers with an opportunity to prime their audience before they make purchasing decisions at their destination.

Interview extract:

Olivier Jankovec,
Director General of ACI Europe

Question from JCDecaux:

The acknowledgment from 68% of our respondents that the airport is integral to their travel experience underscores the significance of the experience they live at the airport. Despite the increasing integration of airports into the overall journey, the predominant focus on delivering a seamless experience often sidelines the crucial dimension of emotional engagement. While notable progress has been made in ensuring efficiency, a significant work remains to be done in cultivating an immersive and emotionally resonant customer experience beyond the security zone.

Looking forward, how do you envisage elevating airport offerings to transcend functional efficiency, providing a more enriching, diverse, and emotionally engaging experience? Specifically, how can airports capture and convey the unique essence of each location, ensuring a sense of place that resonates with travellers on a deeper, more meaningful level?

> ***"Indeed, the transformation of airports into vibrant, culturally rich destinations is a reality I witness daily at our member airports."***

Answer from interviewee:

Indeed, the transformation of airports into vibrant, culturally rich destinations is a reality I witness daily at our member airports. Across Europe, airports have made considerable efforts in cultivating a sense of place, harnessing their unique attributes, local circumstances, and cultural nuances to enhance the passenger experience.

What's particularly noteworthy is the alignment of airport brands with these initiatives, aimed at not only amplifying commercial revenue streams but also shaping the desired passenger experience. Terminals such as Paris CDG, Rome Fiumicino, Athens, and the new Istanbul airport exemplify how airports seamlessly integrate local culture and environment into their offerings, from retail and dining options and even art installations.

While the sense of place is palpable in retail and dining experiences, airports are also pushing boundaries in architectural design and cultural offerings. From museums showcasing local art and heritage to unconventional amenities, airports are embracing their role as cultural ambassadors, showcasing the essence of their country and city.

This trend reflects a profound evolution in airport design and operations, one that emphasizes authenticity, cultural immersion, and a holistic passenger experience. Undoubtedly, this trajectory will continue to unfold, with airports poised to further integrate and celebrate their unique cultural identities, enriching the journey for travellers worldwide.

Interview extract:

Paul Griffiths,
CEO Dubai Airports

Question from JCDecaux:

Our research reveals that 53% of travellers consistently arrive at the airport 2 to 3 hours before their scheduled flight departure. This proportion increases to 59% for Frequent Flyers and surges to 66% for those characterized as high airport spenders, reflecting a deliberate choice to allocate ample time for enjoying the airport experience Impressively, a significant 68% assert that the airports is an integral part of their holiday or travel experience.

As the CEO of a major hub like Dubai Airports, navigating this evolving dynamic where the airport is increasingly integral to the overall travel experience requires a strategic approach. How do you ensure that travellers receive an optimal experience? Furthermore, what is your overarching strategy to deliver the best, most memorable passenger customer experience, and how do you believe airports worldwide should approach this challenge?

Answer from interviewee:

I believe three key elements are paramount in delivering exceptional customer service.

Firstly, it's crucial to recognize that we operate in the hospitality industry. Every interaction with our customers should be positive and enjoyable. Regular review of our infrastructure and technology is essential to ensure we consistently meet this objective. Equally important is cultivating a customer-centric mindset among our staff, emphasizing their role in serving people.

As technology evolves, we must leverage advancements to enhance the passenger experience tangibly and meaningfully.

Secondly, we must respect our customers' time. Our aim is to create a seamless, non-stop airport experience, allowing passengers to transition smoothly from start to finish without unnecessary interruptions. By streamlining processes such as check-in, baggage handling, security, and immigration, we empower customers to reclaim control over their time. This efficiency not only enhances their overall experience but also provides additional time for positive commercial interactions, potentially boosting revenue for our brands. Furthermore, by optimizing space utilization and operational efficiency, we can effectively increase capacity without significant infrastructure investments. This approach underscores the importance of non-stop customer service in maximizing facility throughput.

> **"Through ongoing innovation and a relentless focus on customer satisfaction, we are committed to shaping the future of air travel."**

Lastly, while we handle over 7.5 million passengers each month and are likely to get to 90 million international passengers in 2024, it is vital to remember that each journey is unique. We aspire to offer a personalized experience to every customer, leveraging technology to enable mass customization. By empowering passengers to tailor their interactions with the airport, we aim to deliver the highest possible quality of service and create memorable experiences.

In summary, our vision for transforming the passenger experience hinges on these principles. Through ongoing innovation and a relentless focus on customer satisfaction, we are committed to shaping the future of air travel.

Interview extract:
Erik Juul-Mortensen, *President of TFWA*

Question from JCDecaux:

Our research findings underscore a prevalent trend, with 85% of flyers having made a purchase at the airport within the past 12 months. Notably, confectionery claims the top spot as the most purchased product at airports, closely followed by fragrances and beauty products. One interesting insight is that a significant 65% of travellers do not pre-plan their airport purchases, creating an opportune space for influence through advertising and in-store promotions. How do you perceive this consumer behaviour and what strategies do retailers in airports employ to capitalize on this openness to influence, especially in the context of promoting products at the airport?

> “Our airport environment offers a unique opportunity for consumers to savour the shopping experience, a rarity in today's increasingly digital world.”

Answer from interviewee:

Airports consistently lead the way in innovation and pioneering approaches to retail. Take a moment to observe the dynamic landscape, and you will likely be impressed by the forward-thinking initiatives underway.

This emphasis on innovation is crucial because to effectively compete for consumer spending, we must transcend traditional retail paradigms. It is no longer just about pricing and product selection; we must strive to curate an immersive, compelling experience that transforms a visit to the airport shop into an integral part of every traveller’s journey.

Our airport environment offers a unique opportunity for consumers to savour the shopping experience, a rarity in today's increasingly digital world. By seamlessly blending the best elements of online and physical retail and leveraging creative messaging strategies, the potential for growth in duty-free and travel retail is truly substantial.

Airport advertising: more powerful and influential than ever

Flyers view airport advertising more favourably than online and social media ads across key metrics.

Airport advertising influences consumer choices across the entire purchasing funnel, affecting awareness, consideration, and conversion.

Most travellers perceive airport advertising in a positive light.

Travellers overwhelmingly perceive airport advertising in a positive light. Indeed, 70% of flyers enjoy looking at the exhibition stands, shops, advertising, and other things to see when they are at the airport.

Top associations for brands being advertised at the airport are "global", "successful", "innovative", "trustworthy", and "prestigious". All those are very positive associations and show how the positive perception that flyers have on the airport environment positively spills over brands advertising in that same environment.

We went a bit further in the analysis and compared the perception of airport advertising to online & social media on a range of areas, including international status, creativity, superior quality, attention and brand image. The results are clear: **flyers view airport advertising more favourably than online and social media ads across all those key metrics.**

A wide range of categories are expected to advertise at the airport. The most expected sectors to be seen all belong to the airport ecosystem: tourism, luxury goods, watches & jewellery, fragrances/cosmetics/toiletries, airlines. However, travellers also expect to see a wide range of other sectors, be they from the airport ecosystem or not (restaurants, bars & retailers within the airport, clothing & accessories, electronic goods/technology/IT providers or alcoholic drinks).

Finally, one of the key findings of the research is that **airport advertising prompts action, whether at the airport or beyond.** In fact, 77% of flyers in the past 12 months have taken at least one action of awareness, consideration or conversion at the airport or after their trip after being exposed to an ad at the airport (up to 98% for Indians and 95% for Saudis). Undeniably, airport advertising influences consumer choices across the entire purchasing funnel, affecting awareness, consideration, and conversion.

Interview extract:

Paul Griffiths, *CEO Dubai Airports*

Question from JCDecaux:

On top of innovation at a Trinity Forum and during a discussion that you had with Martin Moodie you highlighted the Key factor about emotion. And, while airports are integral to the travel experience and considerable efforts are dedicated to delivering a seamless journey, the aspect of emotional engagement often remains underserved. So, how crucial do you consider this connection and how do you approach bridging this gap and infusing a sense of emotional connection into the airport experience? Particularly, how does advertising contribute to this phenomenon?

Answer from interviewee:

The evolution of brand advocacy over the past 15 to 20 years is a fascinating phenomenon. Previously, advertisements predominantly focused on showcasing products and enumerating their benefits to engage consumers. However, a paradigm shift has occurred, where modern brand campaigns prioritize establishing emotional connections with consumers.

This shift represents a profound transformation from merely facilitating transactions to fostering enduring emotional bonds between brands and consumers. In a world where traditional retail channels have been disrupted by digital platforms, airports serve as crucial touchpoints for consumers to physically interact with brands, products and services.

> **“Advertising within airports plays a central role in creating an ambience and brand presence that resonates emotionally with customers.”**

The airport setting offers a unique opportunity to engage with a captive, high-value audience, making it a pivotal space for cultivating emotional responses. Advertising within airports plays a central role in creating an ambience and brand presence that resonates emotionally with customers. This integration of advertising, brand presence, the design and execution of the airport experience—both physical and emotional—alongside staff interactions, is essential for driving non-aeronautical revenue growth, which is a key indicator of an airport's future sustainability and capacity expansion.

Recognizing the importance of emotional connections with customers is paramount for airports aiming to lead the industry forward. Those prioritizing this aspect are poised to spearhead the transformation of the airport experience. Dubai Airports, with its forward-thinking approach, are expected to be at the forefront of this evolution, embodying the symbiotic relationship between emotional brand engagement and sustained growth in the aviation industry.

Interview extract:

Erik Juul-Mortensen, *President of TFWA*

Question from JCDecaux:

Travellers overwhelmingly perceive airport advertising in a positive light, with 7 in 10 expressing agreement that it endows a brand with international status. Additionally, over 6 in 10 acknowledge that airport advertising enhances a brand's image, captures their attention effectively, and instils the perception of high quality. How do you observe travel retail brands strategically leveraging the influential power of airport advertising to solidify their brand presence and resonate with the traveling audience?

Answer from interviewee:

Airports present remarkable opportunities for brands to leave a lasting impression on travellers. Across the globe, we have witnessed extraordinary advertising executions within airports, seamlessly blending into the already striking architectural spaces. These creative endeavours not only enhance the customer experience but also play a pivotal role in transforming travellers into active shoppers. As I have travelled the world, I have been continually inspired by the innovative advertising campaigns and activations unfolding in airports.

> ***“In today's fast-paced world, capturing consumer attention is no easy feat. However, within the airport environment, consumers are uniquely receptive to advertising and promotions, presenting an exceptional opportunity for brands to engage with them.”***

In today's fast-paced world, capturing consumer attention is no easy feat. However, within the airport environment, consumers are uniquely receptive to advertising and promotions, presenting an exceptional opportunity for brands to engage with them. It is crucial that we seize this opportunity, as we are actively doing, and I believe this bodes well for the future. With optimism, we can anticipate further strides in enhancing the airport experience and driving meaningful brand engagement.

Interview extract:

Olivier Jankovec,
Director General of ACI Europe

Question from JCDecaux:

Travellers overwhelmingly perceive airport advertising in a positive light, with 7 in 10 expressing agreement that it endows a brand with international status.

Additionally, over 6 in 10 acknowledge that airport advertising enhances a brand's image, captures their attention effectively, and instils the perception of high quality. In this context, how do you assess the role of advertising?

Answer from interviewee:

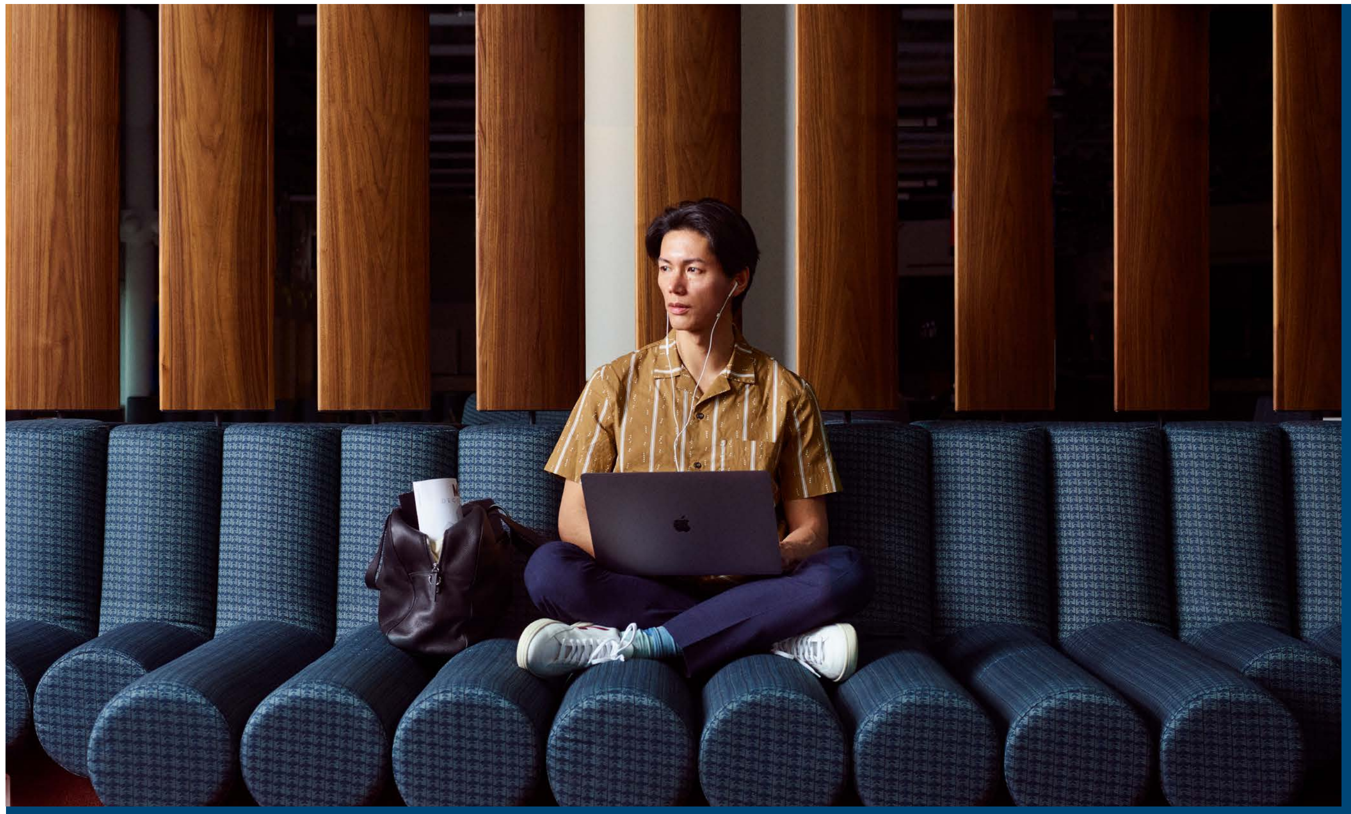
Advertising has assumed a pivotal role in airports, not solely due to its emergence as a burgeoning revenue stream, albeit still a modest fraction of total non-aeronautical revenues, currently estimated at around 2%. Nonetheless, it represents a vital component in airports' imperative to diversify revenue sources. The predominance of digital advertising formats underscores the airport's digital transformation, contributing significantly to the passenger experience and fostering a positive airport ambiance.

Airport advertising offers a dynamic, visually compelling experience that serves as a welcome distraction for passengers. In many instances, such as those orchestrated by JCDecaux, it evokes a sense of wonder and awe, creating what can be described as the "wow" effect. By presenting larger-than-life visuals and captivating displays, advertising elevates the airport's brand, reinforcing its identity and stature.

Moreover, there exists a symbiotic relationship between airports and the brands advertised within the airport. Airport advertising facilitates a synergy wherein both entities mutually enhance each other's brand equity. This collaboration serves to enrich the passenger experience and contribute to the overall ambiance of the airport environment.

In essence, advertising at airports represents more than just a revenue stream; it embodies a multifaceted tool for enhancing passenger experience, elevating brand perception, and fostering synergistic partnerships between airport brands and advertisers.

> "Advertising at airports represents more than just a revenue stream; it embodies a multifaceted tool for enhancing passenger experience, elevating brand perception, and fostering synergistic partnerships between airport brands and advertisers."



The Business Flyer: ever-increasing and ever-flying

Business flyers, which represent 42% of our surveyed respondents, are primarily characterized by high-income earners, frequent travellers, and decision makers. Recent data from the ACI ASQ Global Traveller Survey shows a slight uptick in their share, rising from 22% in 2019 to 24% in 2023. The “First Class Advertising – The Enduring Magic of Airports” report further indicates that **their travel frequency remains notably higher than the average flyer,** with an average of 4.9 trips in the past 12 months compared to the general flyer population's 3.6 trips.

Notably, 33% of business flyers maintained their pre-pandemic travel frequency, with an additional 26% increasing their travel frequency. This resilience underscores the enduring importance of business travel, with only 40% reporting a decrease in travel frequency, aligning closely with overall trends across all flyer categories.

As seen earlier, **Business travellers arrive early at the airport:** 46% of them declare arriving at the airport at least 2 hours before a domestic flight and 59% for an international flight.

FOCUS ON 3 VALUABLE SEGMENTS OF FLYERS

A new trend in the business flyers' travel behaviour is their notable engagement in bleisure trips, blending business and leisure purposes, with 52% indulging in such trips in the past year. Additionally, **while they exhibit a preference for regular airlines, they also demonstrate substantial usage of budget airlines,** with 81% opting for regular airlines and 68% for budget carriers in the past 12 months.

Analysis of the driving factors behind their airline selections reveals a convergence of convenience and favourable past experiences. Notable considerations include flexible flight schedules, dependable service, and logistical proximity to departure and arrival points. Additionally, corporate directives pertaining to expenditure exert a tangible influence, with cost-consciousness guiding decisions regarding budget airline utilization.

Convenience & previous good experiences are key drivers within the Top 5 reasons for using a budget airlines:

1/ The airline has a flight schedule that was more convenient for me.

2/ I have had a good customer experience with this airline before.

3/ The airline departed / arrived at an airport that was more convenient for me.

4/ The airline is punctual and reliable.

5/ My company was limiting spend on airline travel.

These insights underpin the nuanced decision-making processes of business flyers, highlighting the importance of both convenience and cost-effectiveness in their travel choices. Their hybrid travel behavior, blending business with leisure, underscores the evolving landscape of modern travel preferences.

Business flyers also recognize and value the unique allure of the airport environment. A substantial 78% express appreciation for the airport's layout and ambiance, with 75% acknowledging its distinct nature compared to everyday routines. Moreover, 72% affirm that the airport is an essential part of their holiday or travel experience. On each of these findings, business flyers over-index compared to the average flyers.

Shopping emerges as a cornerstone of their airport experience, with 92% having made purchases at airports in the past 12 months. Notably, 66% do not pre-plan their airport purchases, indicating a significant opportunity for spontaneous consumption. Additionally, 63% express a heightened sense of comfort when purchasing luxury items at airports over other venues.

Business travellers overwhelmingly perceive airport advertising positively, with 77% enjoying looking at exhibition stands, shops, advertising, and other amenities. Additionally, 92% have taken at least one action during or after their trip after being exposed to an advertisement at the airport.

In conclusion, **business flyers are a valuable group of travellers, actively engaged in airport experiences and receptive to advertising efforts.**

Interview extract:

Olivier Jankovec, *Director General of ACI Europe*

Question from JCDecaux:

Our research underscores a noteworthy trend where both regular and budget carriers are nearly equally favoured among flyers, with 61% of travellers having flown on a budget carrier and 67% on regular airlines in the past 12 months. This parity suggests a diminishing dichotomy between regular and low-cost passengers, signalling a shift towards viewing them as a unified and valuable traveller.

The decision-making process for passengers, whether opting for a budget or regular airline, is increasingly influenced by a multifaceted set of factors, including convenience, pricing, and the overall airport experience. Notably, the conventional distinctions between leisure and business travel are blurring, evident in the substantial rise of "bleisure," where professional and recreational aspects seamlessly merge. In this evolving paradigm, the recognition that every passenger contributes value to the industry, regardless of their travel purpose, becomes paramount. I am eager to hear your insights on this perspective and that all passengers bring value.

Answer from interviewee:

The adaptability of consumers nowadays is quite remarkable. One day, they might opt for a business class ticket, and the next, they could be flying with a low-cost carrier. This versatility in consumer behaviour underscores the importance of recognizing the value that each passenger brings to the airport environment.

While this concept may not be novel for airports, it's perhaps a newer perspective for airlines, which have traditionally focused on attracting business or first-class travellers. However, for airports, every passenger contributes equally in terms of aeronautical revenue and airport charges. As such, airports are committed to providing the best possible customer experience to all travellers, regardless of their ticket class or profile.

Moreover, airports are increasingly attentive to the needs of passengers who may face challenges, such as those with reduced mobility or elderly passengers. Given the demographic trends in Europe, where an aging population is prevalent, catering to these segments of travellers is becoming increasingly important.

Regarding commercial revenues from retail and food and beverage, there has been a shift in perspective as well. While it's true that certain passenger demographics, like Chinese travellers, may spend more in airport shops compared to others, airports have embraced diversification in their offerings. This adaptability ensures that the airport experience caters to the varied preferences and profiles of all passengers, reflecting a recognition that every individual contributes value to the overall airport ecosystem.

> **"The adaptability of consumers nowadays is quite remarkable. One day, they might opt for a business class ticket, and the next, they could be flying with a low-cost carrier."**

The Gen Z Flyer: fuelling the appetite for air travel

The Gen Z flyers, cohort aged between 18-24, represents a burgeoning demographic of travellers. As the torchbearers of the future in air travel consumption, they present a unique prospect for brands seeking to establish early connections and foster brand loyalty.

Comprising 15% of all flyers, this youthful demographic showcases a diverse array of characteristics and behaviours. Notably, 22% are frequent flyers, 33% wield decision-making authority, and 31% boast high income status. They **mainly travel for leisure purpose** and exhibit **a penchant for budget airlines** (67%), even though they also demonstrate a significant reliance on regular airlines (62%).

Gen Z flyers have taken in average 3.6 flights within the past 12 months, perfectly in line with the average global flyer. Despite growing concerns about climate change, **their intentions to curtail air travel for environmental reasons remain in line with the global average,** reflecting a broader focus on sustainability in day-to-day actions rather than air travel specifically. Indeed, for them, change to a more sustainable lifestyle revolves more around day-to-day actions like saving energy or water at home or avoid products that have excess packaging or use single-use plastics. 9% of them indicate a willingness to reduce air travel, below the 10% for the average global flyer.

At the airport, the behaviours and perceptions of Gen Z flyers closely mirror those of the global average. With 55% arriving at the airport at least 2 hours before their flight, and 69% attesting to the importance of the airport environment, they embrace the unique ambiance and offerings of airport spaces. Additionally, their positive disposition towards airport advertising underscores its efficacy in shaping brand perceptions, with 69% associating it with international status, 65% with high quality, and 65% with enhanced brand image.

Shopping emerges as an integral aspect of the Gen Z airport experience, with 86% making purchases within the past 12 months. Notably, 64% do not pre-plan their airport purchases, indicating a disposition for spontaneous consumption. Furthermore, **nearly half (49%) express a preference for shopping luxury items at the airport,** emphasizing its role as a preferred retail destination. Interestingly, while luxury purchases are observed among Gen Z travellers, there is **a discernible inclination towards premium brands,** particularly within the alcohol and fashion categories. This preference may stem from a blend of factors, including purchasing power and evolving consumption patterns marked by a quest for quality and authenticity. Noteworthy preferences for luxury brands among Gen Z travellers at the airport include fragrances/perfumes, beauty products and watches/jewellery, underscoring their distinct shopping preferences within the luxury realm.

Interview extract:
Erik Juul-Mortensen, *President of TFWA*

Question from JCDecaux:

Nearly half of our respondents express a greater comfort in purchasing luxury items at the airport compared to other retail areas. However, Gen Z individuals indicate a stronger interest in buying premium brands rather than traditional luxury. How do travel retailers plan to address these distinct preferences, and what strategies do they employ to ensure that their offerings are diverse enough to attract this demographic while also enticing them towards more traditional luxury products?

The increasing spending power of Generation Z demands our serious attention, given projections suggesting that along with millennials, they could represent up to 70% of the luxury market by 2025. However, the values driving Gen Z consumers differ from those of previous generations. While status, prestige, and heritage still hold significance, inclusivity, transparency, and sustainability matter more to these new shoppers.

> **"The increasing spending power of Generation Z demands our serious attention, given projections suggesting that along with millennials, they could represent up to 70% of the luxury market by 2025."**

Answer from interviewee:

Luxury brands aiming to appeal to Gen Z need to adopt a fresh approach. This could involve reimagining retail sales channels, revamping store concepts, and prioritizing the use of sustainable materials. We've already seen numerous examples of such initiatives, and it's likely that we'll witness more in the future.

By adapting to this evolving definition of premium and luxury, we can ensure that premium brands remain relevant not only to airport shoppers but also to those on the high street and even on ferries and cruise lines—an aspect that is sometimes overlooked.

FOCUS ON 3 VALUABLE SEGMENTS OF FLYERS

The High Airport Spenders: a group of premium airport consumers

High Airport Spenders, namely flyers who have spent over $500 USD in the airport in the last 12 months, constitute a highly desirable segment of flyers, representing 17% of all travellers. Notably, they wield **significant influence,** with 73% identified as business flyers, 64% as business influencers, 60% as decision makers, and 41% as frequent flyers. Moreover, **their affluence is apparent,** as 64% are high-income earners, with 31% having spent over $1,000 USD in airports in the past 12 months. Importantly, they exhibit **a strong preference for airports where JCDecaux operates,** with 92% having flown through one of the 21 hubs where JCDecaux is present in the past year, compared to 76% for all flyers. Demographically, High Airport Spenders are more likely to reside in the UAE, China or India.

These travellers **share a special affinity for the airport environment,** with 65% arriving at least 2 hours before their flight, 80% agreeing that the airport experience is distinct from everyday life, and 75% considering shopping as an integral part of their travel experience. Furthermore, a noteworthy 68% do not pre-plan their purchases at the airport. **Fragrances and beauty products reign as the top categories purchased at the airport,** with High Airport Spenders also exhibiting **a strong appetite towards purchasing watches/ jewellery and fashion by over-indexing on these items.**

Interestingly, **High Airport Spenders engage in both window shopping at the airport and making purchases at their destination.** Fashion, beauty products, and fragrances/perfumes are the top three categories browsed at the airport, with over-indexing observed in browsing fashion, sunglasses, and tobacco. At their destination, they favour purchasing fashion, technology/electronics, and beauty products, with over-indexing observed in buying technology/electronics and watches/jewellery.

Aligning with broader trends, **72% of High Airport Spenders feel more comfortable purchasing luxury items at the airport compared to other retail avenues,** demonstrating a clear preference for luxury shopping in airport environments.

Interview extract:

Erik Juul-Mortensen, *President of TFWA*

Question from JCDecaux:

The recovery of travel retail revenue is intricately tied to the gradual return of Chinese nationals to international air travel as pandemic restrictions ease, emphasizing their crucial role in the industry's post-Covid recovery. Before the pandemic, Chinese tourists represented the largest source of global tourism revenue. With Chinese passengers not fully back, which nationalities are emerging as noteworthy future spenders, warranting careful observation in terms of their spending patterns?

Our [the Travel Retail industry] growth trajectory in recent years has undeniably been heavily influenced by the influx of Chinese travellers. However, there's now a glimmer of hope as we witness the gradual return of these travellers, albeit in smaller numbers and with altered destination preferences. It was particularly heartening to see many of our colleagues from Asia participate in the TFWA World Exhibition and Conference in Cannes last year, marking their first attendance since the onset of pandemic-related travel restrictions.

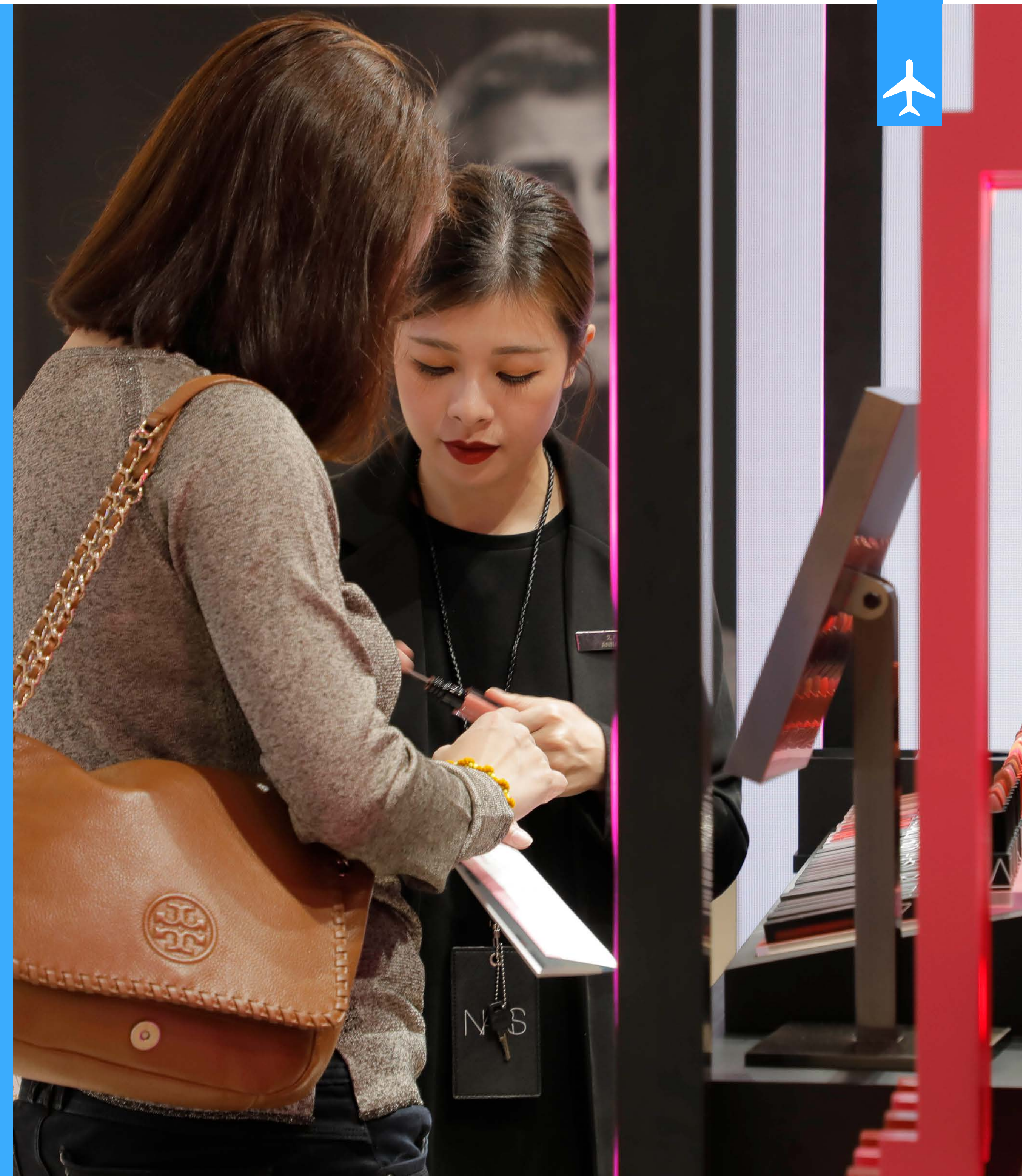
Despite the significant contribution of Chinese travellers to our industry, analysts suggest that our sector is resilient even in their absence. While concerns loom over escalating airfares and inflation potentially dampening travel demand, there's optimism that the increasing number of travellers from other regions will help offset any losses incurred.

> *"The Indian market presents immense growth potential."*

Answer from interviewee:

Let's consider India as a prime example. The Indian market presents immense growth potential, and it's encouraging to note that the Asia Pacific Travel Retail Association (APTRA) has scheduled a conference in Delhi in March [2024] to focus on the Indian duty-free and travel retail market. This underscores the opportunities that lie ahead in this burgeoning market.

However, amidst these positive developments, it's crucial not to overlook the unfortunate events unfolding globally. We can only hope that 2024 will bring about a semblance of peace and safety, not just for the sake of our industry but for the well-being of all those affected.

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Ipsos' view – Interview with

Tak Ha, *Research Director at Ipsos UK*

Question 1:

When comparing our study with other research conducted by Ipsos, do you observe significant convergencies or discrepancies in the key findings related to air travellers and travel patterns? Are there discernible trends that align or diverge from those identified in Ipsos surveys or other studies?

The insights derived from the research are largely consistent with the finding from our previous research endeavours, particularly in the realm of air travel and its repercussions post-pandemic. We find alignment, notably concerning the profound impact on business travel observed during the pandemic era, alongside prevailing sentiments regarding environmental concerns and the urgent need for behavioural change across society, as echoed in numerous surveys we have conducted.

However, notable divergences arise concerning the anticipated behavioural shifts, particularly pertaining to environmental considerations. Our pre-pandemic study conducted in 2019 across 27 countries highlighted a significant inclination among consumers to opt for transportation modes with lower carbon footprints, even at the expense of convenience, with sentiments bolstered further if cost differentials were factored in.

> **"The findings of the research suggests that the appetite for travel remains robust among those who have flown in the past 12 months."**

Yet, despite the shared sentiment around environmental concerns among our surveyed travellers, our recent findings reveal a gap between stated intentions and actual behaviours. While there was widespread acknowledgment of the need to address climate change, this sentiment did not translate into significant changes in travel behaviour post-pandemic.

Our analysis indicates that, contrary to expectations, various demographics, including Frequent Flyers, Business Travellers, and younger cohorts (Gen Z flyers), did not exhibit substantial shifts towards alternative modes of transportation. Instead, the majority continued their pre-pandemic travel patterns, with little deviation observed even after the easing of restrictions.

In summary, the findings of the research suggest that the appetite for travel remains robust among those who have flown in the past 12 months, with most individuals maintaining consistent travel frequencies. Despite the rhetoric surrounding environmental consciousness, actual behavioural changes in travel patterns post-pandemic have been minimal.

Question 2:

When compared to social media or the Internet, airport advertising consistently outperforms across crucial criteria such as prestige, memorability, relevance, and trust. How do you interpret these results, and what implications do you see arising from it?

The favourable response observed in our findings can be attributed to several key factors.

Firstly, airports offer a unique environment characterized by a captive audience, providing travellers with ample time and limited distractions to engage with advertisements effectively. This heightened attention presents an opportunity for brands to enhance their visibility and engagement among targeted audiences.

Secondly, the research indicates that airports are perceived as environments where credible and trustworthy brands are prominently featured. This association with esteemed brands within the airport setting elevates the perceived value of advertisements, offering significant association benefits for brands seeking to enhance their image and reputation.

> **"The positive perception of airport advertising, coupled with its unique advantages and opportunities for engagement, underscores its significance as a valuable medium for brands seeking to connect with travellers and drive business growth."**

Furthermore, the airport environment itself exudes a sense of excitement and anticipation, contributing to a positive and receptive mindset among travellers. This allure of the travel experience, starting from the airport, enhances the memorability and relevance of airport advertising, fostering increased brand awareness and recall among travellers.

From a strategic standpoint, airport advertising presents unique opportunities for brands to influence purchase intent and drive consideration for their products or services. Whether through immediate retail opportunities within the airport or through long-term brand engagement, airport advertising serves as a powerful channel to seed brand awareness and preference among travellers.

Moreover, the wealth of passenger data available allows for targeted advertising campaigns tailored to specific demographics, travel patterns, and dwell times. Leveraging this information, brands can deliver timely and relevant messages that resonate with travellers, maximizing the impact of their advertising efforts.

Looking ahead, there is considerable potential for cross-channel integration, enabling cohesive and impactful advertising campaigns across various marketing channels. By harnessing the strengths of airport advertising alongside digital and mobile platforms, brands can create seamless brand experiences that span the entire customer journey.

In conclusion, the positive perception of airport advertising, coupled with its unique advantages and opportunities for engagement, underscores its significance as a valuable medium for brands seeking to connect with travellers and drive business growth. With the right creative strategies and brand partnerships, the potential of airport advertising remains largely untapped, presenting an exciting opportunity for brands to unlock new avenues of audience engagement and brand influence.

Question 3:

Our study shows that climate change is the number one concern of travellers, before an individual's health or war and terrorism. However, when asked about exploring potential actions to enhance the sustainability of their lifestyles, respondents tend to focus on modifying behaviours in areas other than directly curbing or offsetting air travel. Notably, 50% express a willingness to take actions to save more energy at home, and 44% are willing to actively avoid products with excessive packaging or single-use plastics. In contrast, a mere 10% indicate a likelihood to reduce air travel.

This reveals a noticeable disparity between expressed intentions and actual actions—a significant say versus do gap. Have you observed similar patterns in other surveys, and how do you interpret the implications of this gap in terms of sustainable behaviour?

The phenomenon you described, known as the "say-do gap," is a prevalent aspect of human behaviour that often goes unnoticed. It refers to the disparity between what individuals say they will do and what they actually do in practice. This discrepancy can stem from various factors, including social desirability bias and unconscious exaggeration or downplaying of behaviours and intentions.

In survey research, we address this gap by employing strategies such as asking for actions before opinions, allowing us to gather more accurate insights into actual behaviours rather than perceptions or socially desirable responses.

Focusing specifically on environmental and sustainability behaviours, previous studies have shown a consistent sense of urgency and awareness regarding climate change. However, when it comes to translating beliefs into actions, the gap between intent and behaviour remains significant. Despite increased concern for the environment, people's actions have not aligned with their stated beliefs over time. Moreover, there is a related phenomenon called the "believe-true gap," wherein individuals tend to overestimate the impact of certain actions, such as recycling, while underestimating the impact of others, like reducing air travel. This discrepancy arises from inherent biases and misconceptions about the effectiveness of different behaviours in mitigating environmental impact.

> "These barriers to behavioural change, including ingrained habits, personal motivations, and the desire for convenience, contribute to perpetuating both the say-do gap and the believe-true gap."

These barriers to behavioural change, including ingrained habits, personal motivations, and the desire for convenience, contribute to perpetuating both the say-do gap and the believe-true gap. Overcoming these barriers requires addressing deep-rooted behaviours and motivations, which may not always align with the desired actions for environmental sustainability.

In the context of air travel post-pandemic, while there's a renewed interest in travel, individuals may prioritize convenience and personal satisfaction over more significant behavioural changes that could mitigate environmental impact. This preference for easy decisions and the reluctance to adopt complex changes further exacerbate the challenges of bridging the say-do gap in the realm of sustainable travel behaviours.

Question 4:

What stood out to you as the most surprising finding, and what are the three key insights you draw from the survey results?

With over two decades of experience in research, it's rare for me to be surprised by findings, but there were indeed some unexpected discoveries in this study.

One of the most striking revelations was the significant "say-do gap" concerning sustainable air travel practices. Despite widespread concerns about climate change, the willingness of individuals to adopt more environmentally friendly travel behaviours was surprisingly low. This disparity underscores a notable inconsistency between environmental awareness and personal actions, highlighting the challenges in bridging this gap.

On a more positive note, I was pleasantly surprised by the immense power of the airport environment, particularly in terms of advertising effectiveness. The survey revealed that airports evoke overwhelmingly positive emotions among travellers, including excitement, anticipation, curiosity, and wonder. This perception of airports as places of opportunity and adventure, rather than mere transit hubs, exceeded my initial expectations and underscores the unique potential of airport advertising to resonate with travellers.

Furthermore, the study illuminated the unique opportunity that airports offer for reaching a captive audience with significant spending power. With over half of travellers spending money at airports, often exceeding $250 per person on average, airports emerge as highly lucrative markets for advertisers. This finding underscores the potential for advertisers to activate at various stages of the consumer journey, from brand awareness to driving purchases directly within the airport retail space.

> "The study illuminated the unique opportunity that airports offer for reaching a captive audience with significant spending power."

Lastly, the survey revealed a notable receptivity to airport advertising among travellers, with many expressing a positive view of airport advertisements and finding them more impactful than digital touchpoints. This suggests that airport advertising holds considerable potential for engaging and leaving a lasting impression on travellers, making it a highly effective channel for brands looking to connect with consumers in this unique environment.

Definitions

Business Flyers: flyers who took at least 1 business or bleisure flight in the past 12 months.

Frequent Flyers: flyers who took at least 5 flights in the past 12 months.

Business Influencers: business flyers who are opinion leaders in their respective fields. They give presentations, do consulting work or publish papers.

Decision Makers: business flyers who have the power to make financial decisions in their company.

Gen Z Flyers: flyers in the past 12 months aged between 18 and 24.

High Airport Spenders: flyers who spent over $500 USD (or equivalent in market currency) at the airport in the past 12 months.

About the research

The qualitative interviews included in this research were carried out by JCDecaux. These were conducted via a 1-hour online interview of industry experts identified by JCDecaux. Interviews took place between 22 January and 6 February 2024.

The quantitative study was carried out by Ipsos on behalf of JCDecaux. Ipsos conducted a 15-minute online survey of a representative sample of 11,368 participants aged 18-65 in 14 markets across the world (Australia, Belgium, Brazil, China Mainland, China Hong Kong SAR, France, Germany, India, Italy, KSA, Singapore, the UAE, the UK and the USA). Fieldwork took place between 2 November and 1 December 2023.

The sample was split into a main sample and four boost groups (Frequent flyer, Business flyer, Gen Z flyer and Key city). Within the main sample of n=400 per market, with quotas on age, gender, age within gender and region to be nationally representative of each market's general population. Within this total population (n=5,600), there was natural fallout of those who had flown by airplane in the past 12 months.

The Frequent flyer boost sample of n=80 per market was defined as those who had flown 5+ times in the past 12 months. The Business flyer boost sample of n=80 per market was defined as those who had flown in the past 12 months a purpose of either business-only or a mix of both business and leisure (the latter is referred to as 'bleisure' within the report). The Gen Z flyer boost sample of n=80 per market was defined as those who had flown in the past 12 months and were aged 18-24. The Key city boost sample of n=160 per market (unless otherwise specified) was defined as those who had flown through a JCDecaux partnered airport in their market in the past 12 months. The key city boost was not used in China Hong Kong SAR and Singapore as the incidence of flyers through these commercial airports is higher. China Mainland, the UAE and the USA had two city boosts, as these markets had multiple cities included as part of the study. No quotas were set within any of the boost samples (n=5,768).

All main sample data were weighted to nationally represent each market in terms of age, gender and region. All boost sample data were weighted back to the incidence and demographic profile (by age, gender and region) seen within the natural fallout of each group within the main sample. All markets were then equally weighted within this global report, meaning each market has equal weight within the global average.

For more information, contact Ipsos:
3 Thomas More Square, London, E1W 1YW - t: +44 (0)20 3059 5000 - w: www.ipsos.com/en-uk

For further details on the report findings, the full presentation and webinar including the results can be found here: https://www.jcdecaux.com/blog/first-class-advertising-the-enduring-magic-of-airports

Ipsos x JCDecaux Airport