

Outside In

Shelftrak's look beyond the airport, to explore the shifts changing how travellers think, shop and spend - and what this could mean for the shelf

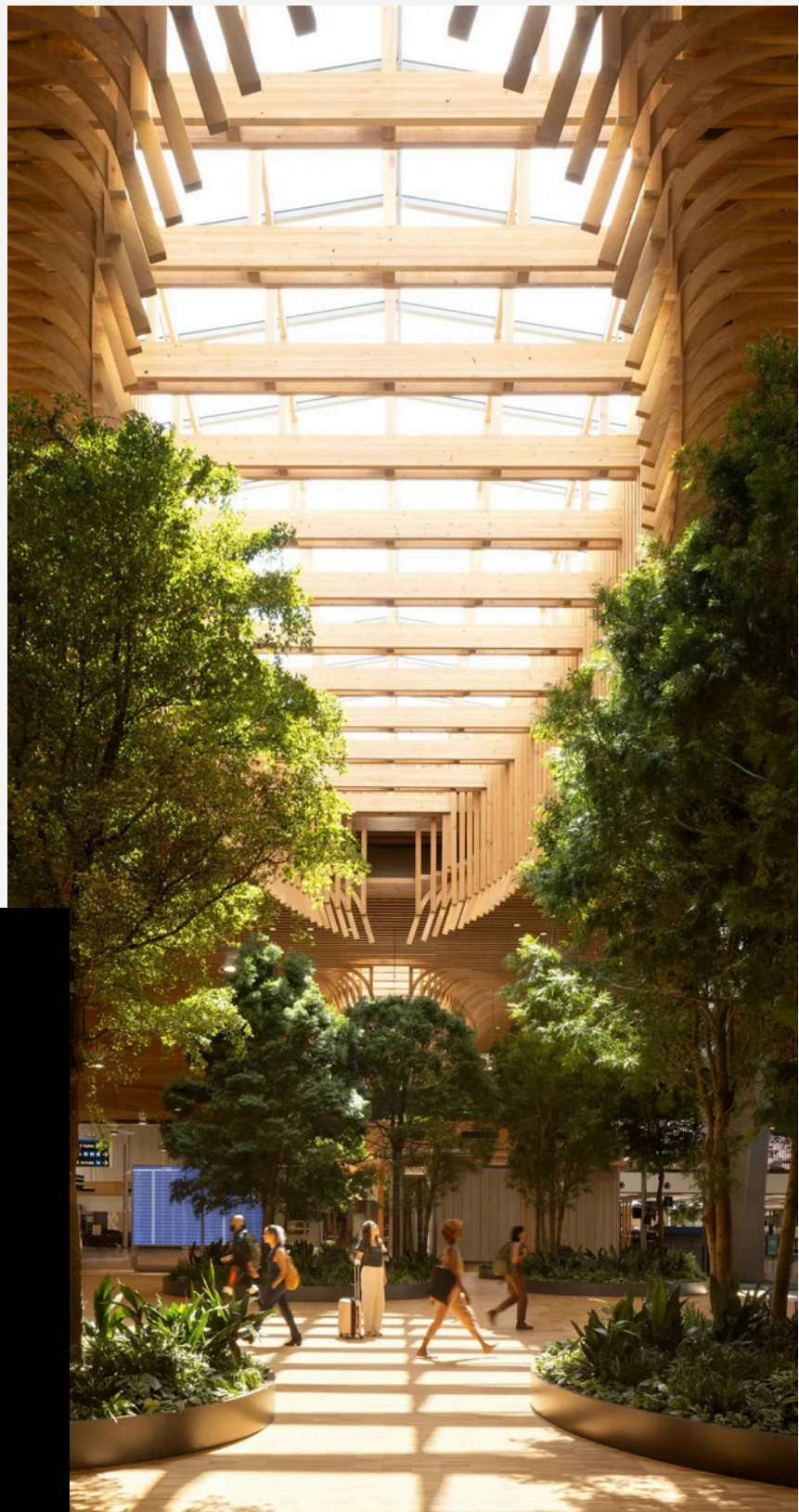
The Changing Travel Retail Shopper

As traveller demographics, purchasing power and expectations shift, the airport shelf must evolve to keep pace

Logos Out.
Discernment In.

Beauty's Old Rules are
Breaking

Culture is Becoming
Commerce



IN THIS ISSUE

4

Cover Story: The Changing Travel Retail Shopper

As international traveller profiles are changing, the travel retail industry must too.

8

Logos Out. Discernment In

Travel retail consumers are increasingly demanding “quiet luxury”, but what does that mean for an industry that has always shouted?

11

Beauty’s Old Rules are Breaking

The travel retail beauty industry is constantly being reshaped by changing consumer behaviours and growing trends.

13

Culture is Becoming Commerce

The world of celebrities, sport and fashion are increasingly present on the travel retail shelves.

17

Shelftrak Signals

Within an industry seeing constant change, it is important to watch emerging trends, to ensure travel retail keeps up.



Image: Getty Images



**“IT IS ESSENTIAL TO LOOK
BEYOND TRAVEL RETAIL
TO UNDERSTAND WHAT
COULD SHAPE IT NEXT”**

Letter from the Editor

Travel retail is an ever-evolving, fast-changing industry in motion. New activations, launches, stores and technologies appear constantly — creating an exciting sense of innovation and discovery. These such changes don’t happen in isolation — they reflect an industry adapting to broader changes in what travellers want, are captured by and willing to spend their money on.

The roots of these changes often emerge from beyond the industry and they are essential to trace. Looking only at the latest launch or activation may tell us *what* is changing. However, it doesn’t tell us *why* it is changing and whether the industry response is effective. Therefore, it is essential to look beyond travel retail to understand what could shape it next.

Outside In was designed to connect the changes outside travel retail with the decisions the industry makes inside it, right down to the shelf — to ensure that travel retail’s response to such trends are reflected in what travellers actually find in store.

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THE CHANGING *Travel Retail Shopper*

There is no longer a single “universal traveller”. Purchasing power is moving towards a more geographically diverse international traveller base, whilst established traveller markets are evolving and younger consumers are bringing fundamentally different expectations into duty-free.



Louis Vuitton installation celebrates Chinese travel retail

The demographic shift: the rise of the Indian international traveller

One of the most significant demographic changes within global travel has been the rapid growth of India's outbound international traveller population. Projections estimate 40–44 million trips will be made by Indian travellers in 2026, up from 37–39 million in 2025. This represents an enormous increase over the past decade: in 2016, 21.9 million Indians travelled abroad.

The growth is structural. It is being fuelled by a rapidly expanding middle class, improved international connectivity, rising disposable incomes and an increased demand for international business and leisure travel. The rise of the Indian international traveller is therefore becoming an increasingly important force in global travel retail — significant enough that airports, brands and retailers are adapting their strategies accordingly.

Indian travellers are an increasingly valuable duty-free audience, with categories including luxury, beauty and electronics aligning particularly well with their value-seeking, gifting and premiumisation motivations. Dubai Duty Free has repeatedly identified Indian travellers as one of its important customer groups, while m1nd-set research has highlighted strong conversion and interest across categories including beauty, luxury and electronics. Gifting is another important behaviour, with the potential to push spend towards higher-value SKUs.

This growing influence is already encouraging retailers and brands to think differently about assortment, service and communication. From Indian whisky and premium fragrance to beauty assortments, language and culturally relevant customer service, the question becomes whether the retail offer accurately reflects the passengers now moving through the airport. And this growth story extends beyond India. Across Southeast Asia, expanding middle classes, rising disposable incomes and greater air connectivity are creating new populations of international travellers, illustrating the broader shift: international purchasing power is becoming more geographically diverse.

Indian luxury beauty brand Forest Essentials reflects the growing global influence of Indian beauty
Image: Forest Essentials



The Chinese traveller is changing too

For more than a decade, Chinese travellers have been one of the most consequential forces in global tourism — and, by spending, China remains the world's largest outbound tourism market. UN Tourism reports that Chinese international tourism expenditure rose 30% in 2024 to \$251 billion, around 3% above its pre-pandemic level — making China the world's largest source market by tourism expenditure. But it isn't simply the number of Chinese travellers that makes this market significant, it's their purchasing power.

Importantly, this shopper profiles' shopping habits are changing. There is an increasing disconnect between traffic and conversion. Hainan, for example, welcomed more Chinese travellers in 2024, yet offshore duty-free spending fell 29.3% and duty-free shopper numbers declined 15.9%.

One of the key changes is growing price transparency. China Trading Desk reported that 98% of surveyed Chinese travellers compare duty-free prices online before buying. Increasingly, the shopping journey starts before travellers arrive at the airport, resulting in the airport becoming the final conversion point rather than the beginning of product discovery.

This change also sits within a broader rise in value consciousness. Oliver Wyman's 2024 research found that 57% of surveyed affluent Chinese consumers planned to reduce spending on shopping during international trips. Its 2025 research also pointed to a polarisation in luxury consumption, with casual luxury shoppers reducing expenditure while core luxury shoppers remained much more resilient. These changing shopping patterns tell an important story. Chinese travellers are still shopping, but shopping has to compete harder for their attention and money.

To capture the attention of the 'Chinese traveller', a more responsive, relevant and well-priced shelf is required to convert an already-informed shopper. Perhaps most crucially, the products that the shoppers come to the stores looking for must be available, and the value of products has to be immediately visible. Equally as critically, if travellers are comparing prices online, price positioning must be credible and a clear reason to buy, such as exclusives or gifts-with-purchase, must be provided.

The Chinese traveller hasn't become less important to travel retail, they have become harder to satisfy. Traffic alone is no longer enough. If the traveller arrives knowing what they want, knowing what it costs elsewhere and with more experiences competing for their spending, the shelf has to work considerably harder to convert them.

Beyond travel retail, retailers are using culturally relevant experiences to capture the attention of Chinese shoppers
Image: Macquarie Centre



The growth of the younger traveller

Another significant traveller profile shift includes the growth of Gen Z and younger Millennial international travellers, and this demographic is bringing a different set of expectations into the airport. For younger travellers, the most compelling travel retail exclusive is not something to own, but something to take part in.

Experience is increasingly valuable for younger travellers, as evidenced by McKinsey's finding that 52% of Gen Z travellers say they splurge on experiences, compared with just 29% of Baby Boomers — with the same pattern emerging within luxury shopping as well. More strikingly, experiences are so essential to Gen Z travellers, that many reported that they would look to save on flights, transport, shopping and food before cutting their spending on experiences. This desire for experiences has the power to change the nature of the duty-free store.

For decades, one of duty free's central propositions was access: a desirable product at an attractive price. But with younger consumers now accessing an extraordinary range of brands and products from their phones, the physical airport store needs to offer something digital retail cannot replicate as easily: participation. This means not simply seeing a bottle on the shelf, but tasting it; not simply encountering a beauty brand but actively trying something new. Interactive activations which turn shopping into something the traveller does, rather than simply somewhere they buy, is what drives conversion amongst younger travellers.

The travel retail industry is responding to this increasing desire through offering shoppers unique experiences. At Antalya Airport, the M&M's Experience combines personalised gifts and location-specific packaging with gamification and digital interaction, alongside limited-edition collaborations aimed particularly at Millennials and Gen Z.

This demand from younger travellers is also creating a broader shift in what exclusivity can mean in travel retail. Traditionally, exclusivity has centred on the product: a limited-edition bottle, airport-only format or something unavailable in the domestic market. For younger travellers, the opportunity is to make the experience exclusive too — through a tasting, personalisation, collaboration or immersive activation that cannot simply be replicated online.

Duty-free now not only offers something travellers cannot buy elsewhere, but it also could offer something they cannot experience elsewhere.

If the shopper changes, the shelf has to change too

Taken individually, these trends require different responses. The growth of Indian and Southeast Asian travellers demands greater cultural and geographic relevance. The changing Chinese traveller requires better assortment accuracy and a more compelling value proposition. Younger travellers demand greater discovery, participation and experience. Collectively, however, they point to the same demand — the shelf must change to suit the people shopping them.

If passenger demographics are becoming more diverse, a universal assortment becomes harder to justify. If travellers arrive already knowing what products cost elsewhere, price architecture has to become more responsive. If younger consumers want discovery and participation, space cannot simply be a place to display inventory.

The travel retail shelf must be responsive to the passengers travelling through the airport, sensitive to changing demand and willing to challenge historic assortment and space allocation. Understanding the changing shopper is only the first step — such an understanding must become visible on the shelf.

“For younger travellers, the most compelling travel retail exclusive is not something to own, but something to take part in”



Loro Piana exemplifies the shift towards craftsmanship-led luxury
Image: LVMH

LOGOS OUT. *Discernment In.*

**THERE IS A GROWING CULTURAL
DEMAND FOR “QUIET LUXURY”. HOW
DOES TRAVEL RETAIL RESPOND TO
THIS?**

“Quiet luxury” is bigger than minimalist fashion. It represents a broader cultural shift — from conspicuous consumption concerned with status to a focus on quality, craftsmanship and substance. In recent years, there has been a growing fascination with the connoisseur: the consumer who knows why something is exceptional, rather than someone who relies on logos to communicate wealth.

Think Loro Piana, Brunello Cucinelli or The Row. The appeal is not necessarily that everyone recognises what you are wearing. In some cases, it is precisely the opposite. Quality, materials, craftsmanship and recognition among those “in the know” do the signalling instead.

The clearest expression of quiet luxury has been the retreat from overt status signalling. That doesn't mean the logo is dead — far from it. But consumers now have another way of communicating luxury available to them. A Loro Piana cashmere coat doesn't need an enormous logo to communicate its value. Its materials, construction and the wearer's own knowledge do much of that work.

Quiet luxury replaces “look what I can afford” with something closer to “I know why this is exceptional.” That same behaviour translates naturally beyond fashion. In spirits, age, provenance, rarity and production method can become the luxury signal. In skincare, it can be ingredients, efficacy and scientific expertise. In fragrance, it can be an unusual perfumer, ingredient or composition. Much of this value is invisible, creating an interesting role for travel retail. The retailer is no longer just helping the traveller recognise something expensive, they are increasingly helping them understand what makes that product exceptional.

Discernment also changes the role of discovery. There is a particular type of status in knowing about an exceptional producer, fragrance, designer or expression that most people haven't discovered yet — “if you know, you know”. Travel retail already has many of the ingredients required to capitalise on this: travel exclusives, limited releases, rare products and destination-specific launches all give shoppers the possibility of finding something unavailable in their normal domestic environment.

There are already strong examples of this. At Antalya and Milas-Bodrum airports, niche fragrance house Tiziana Terenzi created Tilsim, a travel retail-exclusive scent developed with duty-free operator ATÜ and inspired by the cultural heritage of the Mediterranean. In spirits, Cotswolds Distillery released a Birmingham Airport-exclusive single cask whisky made with locally grown barley and limited to just 275 individually numbered bottles.

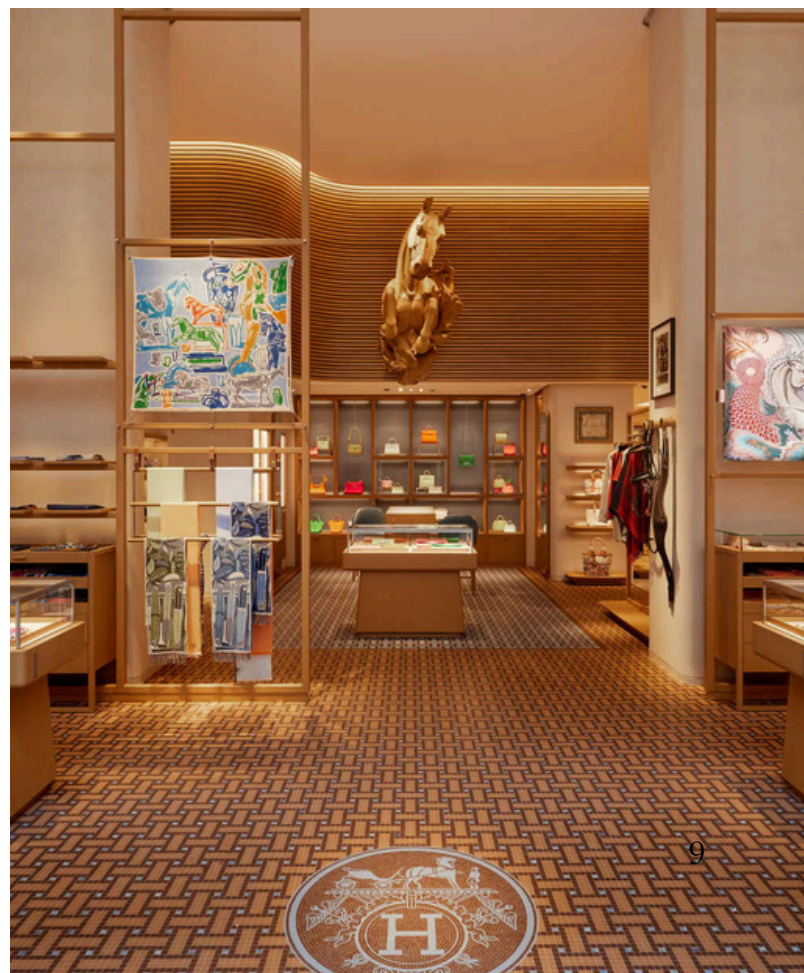
The appeal of products like these goes beyond simply being unavailable elsewhere. Provenance, craftsmanship, rarity and place become part of their value. They give the traveller something worth knowing about — and something they may only have discovered because they travelled. This is where travel retail has a natural advantage. The customer arrives already primed for discovery.

Sense of place is, of course, not new to travel retail. Airports and retailers have invested in localisation, regional products and destination-specific experiences for years. Quiet luxury hasn't suddenly made those strategies relevant. But the broader shift towards discernment potentially makes them more valuable.

One of the contradictions of international travel retail is that airports thousands of miles apart can sometimes feel remarkably similar. The same global brands and hero products provide familiarity — something genuinely valuable to an international traveller. However, there is value in the opposite too: specificity, provenance and the feeling that something could only have been found here. The opportunity isn't simply more “sense of place”. It is depth of place.

There is a difference between a product which visually references a destination and one which introduces the traveller to an exceptional producer, ingredient, craft or story from it. Local spirits, independent fragrance houses, regional food producers. For an industry built around movement between places, this is a powerful position to occupy. Travel retail can offer something few other luxury environments can: the possibility that the journey itself becomes part of the discovery.

Hermès in Hamburg: luxury increasingly communicates through craftsmanship and understated brand codes rather than overt status signalling.
Image: Hermès





Established luxury remains essential, but increasingly sits alongside a growing appetite for quieter, more understated luxury

Image: Chanel, Paris Charles de Gaulle

This shift gives the physical shelf a particularly important role. If luxury is increasingly communicated through craftsmanship, provenance, rarity and expertise rather than simply a recognisable logo or price point, those qualities need somewhere to be understood. The shelf provides that context. Placement, space, adjacencies, pricing, signage and storytelling can transform an unfamiliar product from simply looking expensive into something the traveller understands to be exceptional.

This is particularly important for quieter luxury products, where much of the value may not be immediately visible. A rare bottle, niche fragrance or locally produced product needs the surrounding retail environment to communicate why it deserves attention and why it is worth its price. In this sense, the shelf doesn't simply display luxury — it helps create the conditions through which luxury is recognised and understood. As the signals of luxury become more subtle, the power of the shelf becomes greater.

Luxury is increasingly becoming another way for consumers to demonstrate what they know, what they can discover and what they can access. Travel retail already contains the ingredients to respond to this.

Beauty provides an interesting example of how this broader definition of luxury is already influencing travel retail. Niche fragrance and specialist skincare fit naturally with the discerning luxury consumer because much of their value sits in formulation, ingredients, expertise and knowledge rather than immediately visible status.

Auckland Airport's current international retail transformation is particularly interesting as represents an accommodation of established luxury with niche luxury. Its expanded beauty proposition includes an enlarged Chanel boutique alongside standalone stores for Aesop and Le Labo, as well as names such as Maison Francis Kurkdjian and Guerlain's L'Art et la Matière. This allows for one beauty environment to serve both the traveller looking for Chanel and the shopper excited to discover a fragrance their friends may never have heard of. This represents an exciting expansion of what luxury in travel retail can mean.

**“AS THE SIGNALS OF LUXURY
BECOME MORE SUBTLE, THE
POWER OF THE SHELF BECOMES
GREATER”**

THE RESHAPING OF THE BEAUTY CATEGORY



The reshaping of the beauty category is being driven by more than changing taste. Younger shoppers, new centres of influence and social discovery are changing what travellers want from beauty — and what they expect to find when they reach the airport.



Fragrance is getting younger

Younger shoppers are treating fragrance as a form of self-expression, experimenting with scents that reflect their tastes and moods. Luxury still matters, but a recognisable name is only one part of the appeal.

The beauty map is moving East

Korean and wider Asian beauty are influencing what consumers expect from products, from ingredients to formats. They are also introducing shoppers to brands they may not have encountered before.



The social beauty counter

TikTok, creators and online communities shape which beauty products travellers know about before they reach the airport. For travel retail, the question is whether shoppers can find those products when they arrive.

CULTURE IS BECOMING *Commerce*

THE BOUNDARIES BETWEEN SPORT, FASHION, ENTERTAINMENT AND LUXURY ARE DISAPPEARING, MAKING CULTURAL RELEVANCE A COMMERCIAL ASSET

Culture has always shaped what people buy, but the boundaries between sport, fashion, entertainment and luxury are becoming harder to draw. Tennis players make fashion headlines, Formula One drivers appear in luxury campaigns; celebrities co-own brands rather than simply endorsing them. These worlds increasingly offer products and experiences of their own, reaching people beyond their original audiences. For travel retail, the opportunity lies in what happens when that interest follows the traveller into the airport.

As culture becomes something people can watch, wear, drink and buy, travel retail has a chance to become part of the experience rather than simply the place a traveller shops afterwards. Sports tournaments, celebrity influence and cultural moments have international reach, fans and audiences — making airports a natural place for those worlds to meet travellers.

This changes the role of the airport store: it can carry the occasion forward and build on large-scale cultural reach through relevant products, exclusive editions and experiences that feel connected to what the traveller has just seen or is travelling to see. The test is whether that connection still feels compelling when the traveller reaches the shelf.

Today's sporting icons increasingly influence what consumers wear, follow and buy far beyond the sport itself
Image: British GQ





Beyonce co-founded Sir Davis whisky

Travel retail should be a natural stage for this recognition. Airports bring together international, brand-aware shoppers, often with little time to decide. Familiarity can help a new bottle earn attention, while an airport presence can give an emerging brand credibility and a sense of global scale.

Yet Shelftrak's April 2026 audit shows that cultural reach does not translate evenly into distribution. Casamigos appeared in 64 stores, compared with 23 for SirDavis and 11 for 818. SirDavis had an international footprint, but it was concentrated: Singapore Changi alone accounted for 45 of its 127 audited facings.

The disconnect continued at the shelf. Just nine of 818's 54 facings were at eye level; for SirDavis, it was 48 of 127. Neither recorded promotional facings, while only 11 of 818's facings and 48 of SirDavis's appeared on branded fixtures. A traveller could know the story yet still walk past the bottle.

That is the tension travel retail must resolve. Celebrity ownership can make a brand feel established before its distribution catches up, but it cannot secure space, improve placement or tell the story at the point of purchase. Culture may bring the traveller to the category; what happens next still depends on the shelf.

Celebrity spirits bring this meeting of culture and commerce into focus. A bottle can signal taste, identity and belonging — territory in which celebrities already operate. Their audiences and cultural influence make them natural brand-builders, not simply recognisable faces.

The relationship has changed too. Traditional endorsements were largely transactional, with celebrities having little influence over the product. Increasingly, they want equity, creative control and long-term involvement, becoming founders, co-owners and creative directors rather than paid ambassadors.

This creates a different kind of partnership. Beyoncé's SirDavis whisky is rooted in her family history, while Kendall Jenner's identity is closely woven into 818 Tequila. Bruno Mars has helped shape SelvaRey's vision of tropical luxury. In each case, the celebrity is not added to the story; they help create the world around the brand.

That involvement can generate international awareness quickly. A single post can reach millions, while the celebrity's associations lend the bottle cues of lifestyle, status or exclusivity. Consumers may understand the brand's identity before encountering the product itself.



Kendall Jenner founded 818 Tequila

Sport poses the same question from another direction. A celebrity can bring recognition to a bottle; a tournament or racing team can give a product a place within an event people are already following. The airport can extend that experience, particularly when travellers are on their way to or from it.

Tennis has provided some vivid examples. Lanson took its Wimbledon partnership into airports across London with limited edition pouches, and they sold out in the participating Avolta stores within a week. Maestro Dobel brought the US Open to JFK through tastings, gifts with purchase and tennis games. In both cases, the sporting connection gave travellers something to encounter in store, beyond a logo on a display.

Formula One shows how differently that connection can work across categories. A McLaren edition of Jack Daniel's invites shoppers to buy a piece of the team's world; KitKat offers a more accessible way for fans to take part. Shelftrak's look at F1 collaborations found that these products often occupy prominent shelf space or sit at a premium to a brand's core range. So whilst the sport helps distinguish the product, its position in store determines whether a passing traveller notices it.

The harder question comes after the race or tournament. A busy activation and a sold-out limited edition show that an idea can work in the moment. They do not tell us whether the brand gains lasting space, better placement or a stronger assortment. That is what makes the shelf worth watching: it shows whether cultural attention has changed more than the display for a few weeks.



Formula One fandom meets the bottle with Jack Daniel's x McLaren limited edition Halo Tennessee Whiskey

Image: Future

SHELFTRAK SIGNALS

Five things we're watching

NOT EVERY EMERGING SHIFT BECOMES A LASTING TREND. BUT SOME ARE WORTH WATCHING EARLY. THESE AREN'T TRENDS WE'RE DECLARING. THEY'RE SIGNALS WE ARE WATCHING.

01

Exclusivity gets its purpose back

In a world where global products can increasingly be bought almost anywhere, one of travel retail's most powerful propositions may be the thing that cannot be bought anywhere else.

Travel exclusives, airport-only editions and genuinely local products can give the traveller a reason to buy here.

WATCH: Will "I can only get this here" become as important as "I can get this cheaper here"?

02

Wellness becomes a shopper mission

Wellness is moving beyond beauty and personal care into hydration, nutrition, sleep, recovery and stress management.

Recent mInd-set research found 87% of international travellers are more concerned about their physical health than before the pandemic, while 73% report greater concern for their mental wellbeing. Almost half show interest in health and wellness products.

WATCH: If travellers increasingly shop around wellbeing rather than category, where should wellness live on the airport shelf?





ChatGPT



Midjourney



Google Gemini



Adobe Firefly



Krea



Leonardo AI



Ideogram



Recraft

03

AI is reshaping the path to purchase

AI assistants are changing how consumers discover and compare products, potentially shaping purchase decisions before shoppers enter a store.

For travel retail, this could shift the shelf's role from generating demand to converting existing intent. If travellers arrive seeking specific products or prices, availability, visibility and price execution become even more important.

WATCH: As AI increasingly shapes purchase decisions before travellers reach the airport, will the shelf be ready to meet their expectations?

04

Convenience becomes part of the assortment

For time-poor travellers, more choice isn't necessarily better choice. Recent research among Chinese outbound travellers found 62.6% struggle to find their preferred brands or products at airports, while 30.2% say limited shopping time constrains them.

Assortment has little value if travellers cannot navigate it quickly enough. As ranges expand, the challenge is not simply stocking the right products, but making them easy to find. Greater choice risks creating greater friction.

WATCH: Could the winning airport assortment become easier to navigate — rather than simply bigger?





Food and beverage is taking an increasingly prominent place within the airport commercial mix

Image: Heathrow Airport

05

Airport space gets harder to win

The airport shelf isn't only competing with other products for space. Increasingly, traditional retail is competing with different uses of airport space altogether.

Food and beverage, hybrid retail and experience-led formats are becoming more prominent, making the productivity of physical retail space an increasingly important question.

WATCH: Will brands and categories face growing pressure to prove the value of the space they occupy?

So what?

THE IMPLICATIONS FOR TRAVEL RETAIL

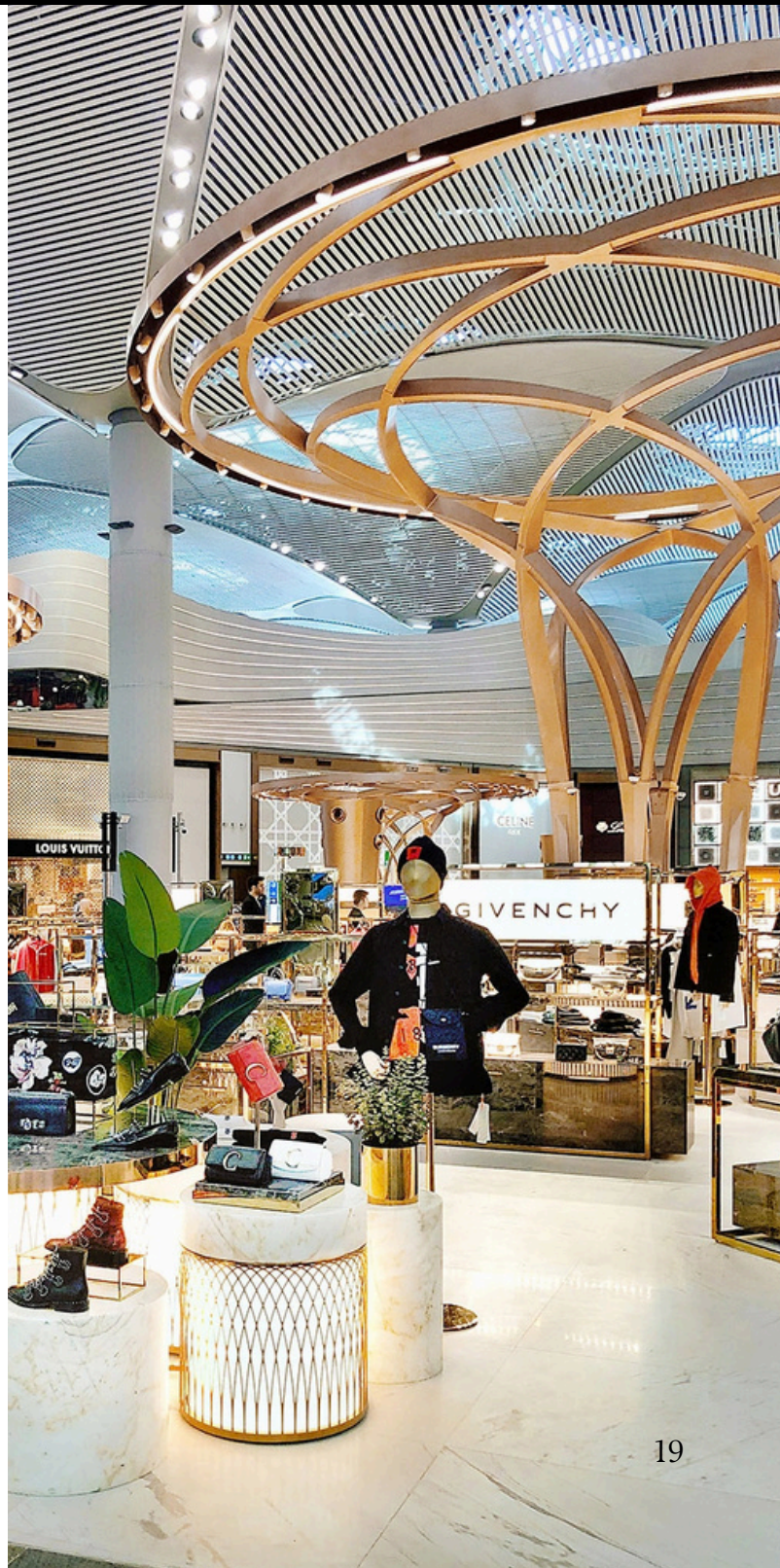
THE WORLD OUTSIDE THE AIRPORT IS CHANGING FASTER THAN THE PHYSICAL RETAIL ENVIRONMENT INSIDE IT.

Changing travellers, new ideas of luxury, a faster-moving beauty landscape and the growing influence of culture on commerce may seem like separate stories. Together, they raise one question for travel retail: is the world outside the airport changing faster than the shelf inside it?

Start with assortment. A global brand presence still has value, but the mix of products in a store should make sense for the people travelling through it. That means paying attention to where shoppers' tastes and purchasing power are shifting, and asking whether the range reflects today's traveller or one the store was built around years ago.

The same applies to cultural relevance. A product can be widely recognised and still be absent from an airport, difficult to find or lost among competitors. Premium space, too, needs to reflect more than the most familiar name. Some products need room for their provenance, craftsmanship or exclusivity to be understood.

The answer is not to chase every emerging trend. It is to look beyond the airport, understand which changes matter to travellers, measure whether they are reaching the store and decide where the shelf needs to respond. That is how an outside shift becomes a useful shelf decision.



For the latest travel retail analysis, shelf insights and industry commentary, follow Shelftrak on LinkedIn



Want to know whether your shelves are keeping pace with these changing trends?

Visit shelftrak.com to discover how our store-level intelligence helps brands identify execution gaps and uncover commercial opportunities