

Central America and Caribbean leading the the pack in race to recover outbound traffic

Aside Mexico as the outlier, the story of the international departure passenger revival can be read within Central America and the Caribbean. While growth in the share of air traffic comes from a much smaller base than in the US and Canada, six of the top 20 countries have clawed back at least 50% of capacity versus 2019. *Luke Barras-Hill* unpacks data and consumer research courtesy of *m1nd-set*.

International departure passengers across the Americas grew from 36 million in the first half of 2021 to 52 million in H2. This is according to metrics supplied by IATA's Direct Data Solutions (DDS) database, available through *m1nd-set*'s Business Intelligence Service (BIS).

This represented a period-on-period increase of six percentage points to 19% of the 279 million international passengers recorded across the Americas in 2019. *M1nd-set* and IATA note that in 2020, international departures in the Americas totalled 78 million – 28% of 2019 levels. That year, the US (126m), Canada (35m), Mexico (24m), Brazil (12m) and Panama (8m) made up the top five countries based on actual passenger traffic.

Guatemala at 70% capacity

However, studying the pace of recovery from 2019 through 2021 reveals



ASUR-operated Cancun International Airport, where Dufry has a presence, recovered 75% of its international departures passenger capacity in 2021.

some interesting findings within the top 20. While Guatemala recorded a mere 700,000 international departures in 2021, the result meant it recovered 70% of the one million international departures it posted in 2019 (17th position in actual intl departures pax served).

Mexico followed at 15 million (63% of 2019 traffic). Three countries restored an equal level of traffic (60%) in full-year 2021, with El

Salvador at 1.2m and The Bahamas and Aruba both at 600,000 pax. Costa Rica

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Anna Marchesini, Head of Business Development, *m1nd-set*

and Ecuador both returned to 50% of (2019) capacity at 1.5m and 1m, respectively. Meanwhile, the US hit 31% of its 126m 2019 intl departures traffic in 2021. Ranked in descending order, passengers from the US, Canada, Mexico, Brazil, Argentina and the UK emerged as the top departing nationalities. Colombia, Chile and France followed. As with the country level data, the tempo of the recovery per departing nationality relative to 2019 also differed (see below table).

Ranking the top airport hubs by their share of

recovered international departures pax in 2021 versus 2019 also demonstrated some notable findings. Recording 8m pax in 2019, Cancún International headlined by restoring 6m pax during 2021 (75%). Miami International and Mexico City International were joint second (55%). The former served 11m pax and the latter 9m pax in 2021. Panama's Tocumen International emerged in fourth (44%) with 4m pax recovered in 2021. New York JFK landed in fifth spot (35%). The US hub is steadily clawing

back capacity, serving 6m pax last year. This compares with the 17 million international departures it processed in 2019.

Differences in Q1 2021

At a micro level, Americas duty free shopper research was carried out through mind-set's BiS tracking survey up to Q1 2020 (before the pandemic decimated air travel) and as of Q1 2021 among a sample of more than 120,000 respondents. The mind-set findings demonstrate that duty free shopping behaviours across the Americas in Q1 2021 differed widely versus

Americas International Departures - Top 20 Nationalities*



	2019	2020	H1 2021	H2 2021
United States	94	29	19	24
Canada	36	10	0.9	5
Mexico	33	5	4	3
Brazil	13	3	0.8	1
Argentina	10	2	0.6	0.52
United Kingdom	10	2	0.3	0.79
Colombia	7	2	2	2
Chile	6	2	0.6	0.73
France	5	2	0.4	0.77
Germany	4	1	0.2	0.52
Japan	4	1	0.06	0.08
China	4	0.5	0.06	0.13
India	4	1	0.29	0.41
Peru	4	1	0.61	0.92
Ecuador	3	1	0.68	0.91
Dominican Republic	3	1	0.98	1
Costa Rica	3	1	0.55	0.69
South Korea	3	1	0.11	0.18
Spain	3	1	0.25	0.48
Italy	3	1	0.11	0.23

**Recovery speed factor
2021 vs 2019**



*PAX in millions of passengers

Average Amount Spent Per Passenger (USD): Duty Free Overall



The average amount spent on duty free in the Americas remained relatively stable in 2021 compared with 2017-Q1 2020, albeit higher than the respective wallet spends in 2019 and Q1 2020.

pre-Covid.

However, some signs of a normalisation were evident in Q2 and this was consequently confirmed in the remaining quarters.

Average spending (\$163) in 2021 remained relatively stable compared with pre-Covid levels, mind-set continues. The figure was lower than in 2017 (\$186) and 2018 (\$166), but higher than the individual expenses recorded in 2019 (\$154) and the first quarter of 2020 (\$143).

Perfumes & cosmetics, tobacco, confectionery and alcohol maintained the highest footfall, purchase

and conversion rates and were the most-purchased categories.

Footfall, conversion up

While pre-planned categories such as perfumes, alcohol, tobacco and skincare over performed, impulse segments including confectionery and souvenirs dwindled in popularity.

“Footfall, purchase and conversion rates all strongly increased in 2021, especially driven by Q4 behaviour, showing a renewed enthusiasm for the duty free channel in the Americas,” comments

Anna Marchesini, Head of Business Development at mind-set.

The share of footfall (*duty free visitors as a proportion of total travellers*) and purchase rate (*out of total travellers*) averaged 36% and 19%, respectively, for the period covering 2017 to Q1 2020. In 2021, the share of footfall averaged 38%. However, the purchase rate averaged 23%. On the other hand, conversion averaged 51% for the period 2017 to Q1 2020, but soared to 63% in 2021. The average number of categories bought for the respective periods remained flat at 1.7. «