

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.

nternational 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 mind-set's Business intelligence Service (BiS).

This represented a periodon-period increase of six percentage points to 19% of the 279 million international passengers recorded across the Americas in 2019. Mind-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 Cancún 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 om pax in 2021. Panama's Tocumen International emerged in fourth (44%) with 4m pax recovered in 2021. New York IFK 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*

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	2019	2020	III ZUZI	112 2021	
United States	94	29	19	24	10.469
Canada	36	10	0.9	5	169
Mexico	13	5	4	3	549
Brazil	13	3	0.8	1	149
Argentina	10	2	0.6	0.52	119
United Kingdom	10	2	0.3	0.79	119
Colombia	7	2	2	2	579
Chile	6	2	0.6	0.73	229
France	5	2	0.4	0.77	239
Germany	4	1	0.2	0.52	189
Japan	4	1	0.06	0.08	496
China	4	0.5	0.06	0.13	5%
India	4	1	0.29	0.41	189

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H1 2021

0.61

0.68

0.98

0.55

0.11

0.25

0.11

0.92

0.91

0.69

0.18

0.48

0.23

Recovery speed factor 2021 VS 2019

46%
1696
54%
1496
1196
1196
5796
2296
23%
18%
496
5%
1896
38%
5396
66%
4196
1096
2496
1196



Dominican Republic

Peru

Ecuador

Costa Rica

Spain

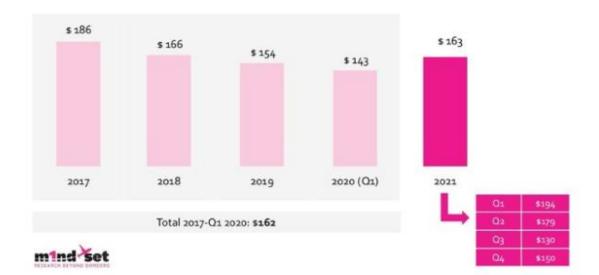
South Korea

*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. «