

**m1nd-set:
Tailwinds & turbulence in 2025 U.S. Travel Retail outlook**

The U.S. travel and Travel Retail market continues to reveal a striking paradox: a surge in outbound U.S. travel coupled with a sharp drop in international inbound tourism to the United States.

This observation, which *TMI* has been reporting about for the past few months, is reconfirmed by the latest research from Travel Retail research agency m1nd-set.

In its comprehensive study exploring the contrasting forces shaping American travel in 2025 and the implications for the global Duty Free and Travel Retail industry, m1nd-set reports that inbound visitor numbers to the U.S. have fallen sharply, with a 12% year-on-year drop recorded in March and a projected 9% decrease for the full year.

This decline is expected to result in a substantial loss of between US\$8.5 billion and \$12.5 billion in foreign visitor spending. The downturn is driven by a mix of geopolitical tension, restrictive immigration policies and negative sentiment abroad, reports the m1nd-set research.

Additionally, travel advisories and backlash across online travel communities are prompting many potential visitors to choose alternative destinations in Europe and the Americas, according to m1ndset.

Outbound travel surging

At the same time, outbound international travel from the U.S. is thriving. Americans

now account for 10% of all international departures worldwide, making them the leading nationality for outbound travel, according to m1nd-set's Business Intelligence Service (BIS) data.

This trend is supported by favorable exchange rates and a growing desire among Americans to explore global destinations amid growing domestic polarization.

The main airports for U.S. international departures are primarily major hubs such as New York JFK, Miami, Los Angeles, Atlanta, and Chicago. Americans' most frequented international airports outside the U.S. include London Heathrow, Cancun, Paris Charles de Gaulle, Mexico City, and Amsterdam.

Travel Retail shopping behavior

The m1nd-set research highlights key challenges and opportunities presented by this paradox. American travelers are less engaged with Duty Free shopping than the global average, with lower store visits and conversion rates.

However, the research reveals that U.S. travelers exhibit significantly better conversion rates when shopping in Duty Free environments outside the United States (68%) versus domestic locations (56%), which exposes a clear opportunity for U.S. travel retailers to enhance store appeal and increase shopper conversion, says m1nd-set,

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Rendering of future Concourse K at Miami International Airport.

MIA breaks ground on historic Concourse K expansion

Miami International Airport and government officials broke ground on MIA's new Concourse K on June 24, the airport's first expansion in more than 20 years.

Miami-Dade County Mayor Daniella Levine Cava, in collaboration with the Board of County Commissioners and Miami International Airport Director and CEO Ralph Cutié, led the historic celebration.

The new concourse will be a 300,000-square-foot expansion that will add six new passenger gates and boarding areas for domestic and international flights, post-security concessions offering more dining and shopping options for travelers, and a new passenger lounge. The future three-level concourse, MIA's first terminal expansion since 2012, is slated for completion in 2029.

With a total investment of \$600.6 million, the Concourse K expansion will also include a new two-level ground support equipment maintenance facility, an enhanced baggage handling system, and critical upgrades to airfield infrastructure. Concourse K's design incorporates the highest levels of sustainable construction practices as well, earning LEED Silver certification and Envision verification.

"Today's groundbreaking was a giant step in MIA's \$9 billion modernization plan, which will completely transform our community's gateway to the world over the next six years. As the first major terminal expansion at MIA in nearly 20 years, Concourse K marks a historic milestone in our efforts to create a more modern, efficient, and passenger-friendly airport," commented Miami-Dade County Mayor Daniella Levine Cava.

The project has received \$91.2 million in grants from the Federal Aviation Administration and \$30.1 million in grants from the Florida Department of Transportation. The project's remaining budget will be financed by MIA revenue bonds paid for by airline fees and non-aeronautical concession revenue, at no cost to local taxpayers.

Miami International Airport is the busiest airport for international freight and the second busiest for international passengers in the United States, and offers more flights to Latin America and the Caribbean than any other U.S. airport.

SHOPPING KPIS

Full Year 2024 – US Pax vs Global

FOOTFALL
(% of DF visitors out of total PAX)



CONVERSION
(% of DF buyers out of DF visitors)



PURCHASE RATE
(% of DF buyers out of total PAX)



	FOOTFALL	CONVERSION	PURCHASE RATE
Boomers + (55+ y.o. for Q1-Q2 / 60+ y.o. for Q3-Q4)	31%	60%	19%
Local Touch Seekers	35%	53%	19%

Giromondo unveils new Dôme store concept at Caracas' Maiquetía International Airport in Venezuela



The official ribbon-cutting opening the new Dôme duty free store in Caracas' Maiquetía International Airport on June 20.

On June 20, Giromondo marked a significant milestone with the grand opening of its new Dôme duty free store at Maiquetía International Airport (also known as Simón Bolívar International Airport) in Venezuela.

Located in the international departures terminal, the new store represents a bold step toward a more ambitious, modern vision, say Giromondo owners Ricard Guasch and Alessandro Battellino.

The store is “deeply connected to our identity and rooted in the values that define us,” comment Guasch and Battellino.

“We’ve long been dedicated to delivering unique, memorable shopping experiences that meet international standards. But with this new store, we’re going further. We’re unveiling an innovative retail concept — a meeting point between the best of both worlds: Venezuelan products that celebrate our heritage, and premium imported goods that connect us with global trends,” say the Giromondo leaders.

They continue: “Our goal is for every traveler — whether Venezuelan or international — to leave our store with more than just a souvenir or a luxury item. We want them to take with them a story, a flavor, an aroma... a piece of Venezuela.”

Confidence in Venezuela’s future

Guasch and Battellino stress that the opening is more than a commercial expansion — it is a symbol of their confidence in the country’s future, a commitment to growth, and a bridge between the local and the global.

“With this space, we proudly support national brands, local entrepreneurs, and authentic products that showcase the unique cultural identity. We believe in the power of what’s made here — and we’re determined to be a platform that amplifies Venezuelan talent on the world stage,” they say.

In addition to featuring national brands, Guasch and Battellino say that they remain committed to offering a curated selection of globally renowned imported products, upholding the highest standards of quality, variety, and customer service.

International traffic grows

Despite the well-publicized political difficulties faced by Venezuela over the past years, Maiquetía is experiencing a strong rebound in international traffic, marked by a diversified and growing network of airline connections. In recent months, the airport has seen a notable increase in both passenger volume and destination offerings, reflecting renewed confidence in Venezuela’s aviation sector and its vital role as a regional gateway, according to published reports.

Also boding well for the new store, several key routes have been reinstated, which are leading the resurgence in international connectivity.

Copa Airlines has resumed service to Panama City, now operating three times per week. Direct flights to the Dominican Republic have also been reinstated, and GOL Linhas Aéreas has launched a new route connecting Maiquetía with São Paulo, significantly strengthening ties with Brazil and facilitating greater South American integration.

In a major development for long-haul international travel, Qatar Airways will begin a direct flight from Doha in August, placing Venezuela on the map for Middle East travel and trade and opening doors for global connectivity through Qatar’s vast network.

The airport is witnessing a steady and strategic recovery in international air travel and says that it continues to enhance the passenger experience with upgraded facilities, strengthened safety protocols, and improved airline partnerships.

“We extend our heartfelt thanks to the entire team that made this project possible — our partners, suppliers, designers, operational staff, and the airport authorities for their ongoing support throughout this journey,” conclude Guasch and Battellino regarding the opening of the Dôme store.

Avolta wins duty free tender at Santiago de Chile International Airport

Avolta has been awarded a 12-year duty free concession contract by Chile’s Directorate General of Civil Aviation (DGAC) and the National Customs Service (Customs).

The new concessions are scheduled to commence in Q3 2026, and will expand Avolta’s established presence at Santiago de Chile Airport.

The new concession agreement with DGAC and Customs builds on Avolta’s 30-year track record in Santiago de Chile International Airport, where it already operates a successful duty-paid business.

Under the new agreement, Avolta will operate two expansive walkthrough duty free stores, including a nearly 3,000 square-meter departures store and a 2,800 square-meter arrivals store, along with additional last-minute outlets located within the concourses. Avolta says that these new spaces will allow it to introduce supplementary categories, elevating the travel retail offering with a focus on customer experience, integrating local culture, and offering premium services.

“This win is a testament to the trust built over many years and our deep understanding of Latin American travel retail. With this renewed partnership, we will deliver a reimagined experience that blends global best practices with the unique spirit of Chile,” said Enrique Urioste, President and CEO LATAM, Avolta.

“We are proud to continue contributing to the country’s tourism and economic growth while always putting passengers at the center.”

Avolta says that the new operations will reflect its dedication to customer-centric innovation while celebrating the richness of Chilean heritage through travel retail experience.

m1nd-set report on U.S. Travel Retail outlook *Continued from page 1*

On the other hand, U.S. shoppers remain among the world’s top spenders, averaging \$150 per transaction, placing them third globally behind shoppers from China and South Korea. This spending potential underscores the need and opportunity to elevate engagement, especially through improved in-store experiences and more proactive retail strategies, according to m1nd-set.

Spontaneous shoppers

Emotional drivers, such as store design and a desire to browse and discover the in-store experience, influence spontaneous visits and impulse buying.

A majority (64%) of Americans who visit Duty Free stores do so spontaneously, largely motivated by store aesthetics, curiosity and the desire to browse to discover the Duty Free shopping experience, or to pass time, while pre-planning also plays a significant role. Nearly three quarters of U.S. travelers plan their Travel Retail shopping: 44% of U.S. travelers say they generally tend to plan to shop at airports, while 30% plan specific purchases, the research reveals.

Interestingly, Americans show stronger interest than global travelers in pre-order and home delivery

services. According to the research 73% of U.S. travelers are interested in airport pick-up pre-orders, and 77% would consider home delivery, far surpassing global averages.

Price sensitivity

Price sensitivity and promotional value are also key to the duty free shopping experience. While 17% of U.S. travelers cite price advantage and another 17% cite promotions as reasons to visit Duty Free stores, price also remains one of the main barriers to purchase. A high proportion of U.S. shoppers compare prices: 63% of buyers and 56% of non-buyers. According to m1nd-set, this indicates that transparent, competitive pricing and clear value communication are essential.

Despite this, 22% of travelers perceive Duty Free prices as better than downtown or online, and 21% identify “good value for money” as the top purchase driver.

Staff interaction

The research also highlights the decisive role staff play in shaping the Travel Retail experience for U.S. passengers. Interactions are more frequent and more impactful

among American shoppers than global travelers, according to m1nd-set, and proactive, knowledgeable sales teams can significantly increase conversions. Poor service or limited product knowledge can act as a major deterrent, however, according to the research.

Owner and CEO at m1nd-set, Dr. Peter Mohn, commented “While American travelers lag behind on engagement metrics like store visits and conversion, they remain a high-value and high-potential segment for the global Duty Free and Travel Retail industry. The key to success in enticing American travelers to enter the store and purchase, lies in reimagining the shopping journey. Industry stakeholders need to blend emotional connection with digital convenience, offering clearer value, and empowering front-line staff to meet heightened expectations.”

Mohn believes that by positioning duty free as a meaningful part of the overall travel experience, not just an afterthought, the industry can turn current underperformance into an opportunity.



Frédéric Chevalier appointed CEO of Lagardère Travel Retail

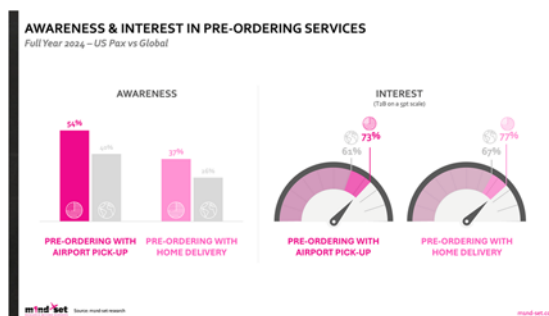
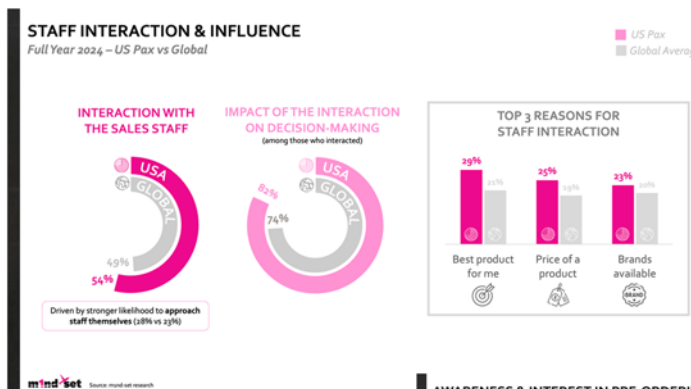
Frédéric Chevalier has been appointed CEO of Lagardère Travel Retail, alongside Dag Inge Rasmussen, effective July 1st, 2025.

The appointment was made by Arnaud Lagardère on the recommendation of Dag Inge Rasmussen, who has led the company since 2011 and remains Chairman & CEO of Lagardère Travel Retail.

Chevalier joined Lagardère Travel Retail in 2006 and held the position of Deputy Chief Executive Officer since July 2024. In his new role, he will, alongside Dag Rasmussen, be fully responsible for overseeing the company's global operations, and all members of the Executive Committee will report directly to him.

Lagardère Travel Retail says his appointment marks a new chapter for the company — one of continuity and ambition, focused on sustaining its momentum, driving operational excellence, delivering value to its partners, and enhancing the travel experience around the world.

“I am honored to take over Dag’s day-to-day responsibilities and to support him closely in leading Lagardère Travel Retail through its new phase of expansion. I am grateful for the trust placed in me by Arnaud Lagardère and Dag, and I have full faith in our teams and their ability to achieve our ambitions. While remaining consistent in our strategy, we must remain agile, responsive, and ready to adapt to change. Our direction is clear: to continue creating value for our partners and offering travelers memorable experiences in the retail and foodservice sectors, through a constant pursuit of excellence,” says Chevalier.



Click on charts to enlarge

Avolta unveils Toronto Duty Free with Canadian and international focus



Avolta's Dufry brand has unveiled its newest duty free store at Toronto Pearson International Airport (YYZ), Toronto Duty Free. The 170 sqm shop in Terminal 3 offers a collection of Canadian-made products alongside a curated selection of wine, spirits, and confectionery.

The store is the first of several new shops planned as part of the company's collaboration with Greater Toronto Airports Authority. The partnership aims to elevate the retail experience at the airport, which saw 46.8 million passengers in 2024 as Canada's busiest airport.

Located in Terminal 3 near Gate C36, the new store offers travelers

a taste of Canada, ranging from Ontario's Peller Estates wine and Dillon's Small Batch Distillers to

Turkey Hill's maple syrup, Sundance Seafood, and Avolta's private label *Exploring Canada*. Toronto Duty Free also features international brands such as Toblerone, Lindt, Godiva, Johnnie Walker, Grey Goose and Patrón, among others.

"Our new Toronto Duty Free store greatly expands the duty free offerings at Toronto Pearson and is the first phase of a significant retail revitalization taking place in the coming months and years," said Kate Herzig, Executive VP, Duty Free North America & Canada Operations, Avolta. "We are proud

of our longstanding partnership with Greater Toronto Airports Authority as we continue to make travelers happier during their journey through Toronto Pearson - part of our vision to create a travel experience revolution," she added.

"We're always working to enhance the passenger experience at Toronto Pearson, and that includes expanding the range of retail options available," said Kurush Minocher, Interim Chief Commercial Officer, Toronto Pearson. "This exciting new duty free store is another step toward offering travelers more choice, greater convenience, and an elevated shopping experience when they pass through our airport."

Toronto Duty Free is part of Phase One in the airport's retail revitalization. Plans are already underway to expand the location, adding approximately 340 square meters of concessions space featuring luxury cosmetics and fragrance brands.

VIP Club Avolta

Over the next few weeks, travelers passing through Terminal 3 who are members of the Club Avolta loyalty program also will have the opportunity to relax and unwind within the new Toronto Duty Free store in a special VIP area. Here, Dufry has created a unique, members-only experience for travelers, inviting them to relax and enjoy complimentary tastings prior to their flight. Club Avolta members who then decide to shop at Toronto Duty Free can enjoy special member pricing in addition to the duty free savings.

Dufry currently operates nearly 50,000 sqf of duty free concessions space in Terminal 1 and Terminal 3 of Toronto Pearson. Its stores feature luxury brands such as CHANEL, Estée Lauder, Lancôme, Dior, M·A·C, Burberry, Ferragamo, Longchamp, Omega, and Bulgari, among others.

Avolta extends retail contract with Grupo Aeroportuario Centro Norte (OMA) in Mexico

Avolta continues to expand and reinforce its presence in the Americas region, earlier this month announcing that it has secured a nine-year contract extension in Mexico, reinforcing its longstanding presence and commitment to the region and renewing its established partnership with Grupo Aeroportuario Centro Norte (OMA).

The agreement covers 15 retail stores spanning a combined floor space of more than 3,000 square meters across four major airports: Monterrey, Mazatlán, Acapulco, and Ixtapa-Zihuatanejo.

Avolta, which has been active in Mexico since 1999, has expanded its footprint over the years through new openings and refurbishments of its expansive walk-through duty-free stores.

With the integration of a distinct sense of place, the updated stores celebrate the Mexican culture and craftsmanship, showcasing local products, cuisine, and souvenirs. The result is a retail environment that appeals to travelers and strengthens the visibility and impact of partner brands, says the company.

Enrique Urioste, President and CEO, LATAM & Caribbean,

Avolta, commented: "We are thankful to Grupo Aeroportuario Centro Norte and proudly announce the extension of our partnership, a collaboration that has been mutually successful for the past 25+ years and is now set to continue. As we journey towards our Destination 2027 strategy, we continue to provide travelers with premium experiences and exceptional services, based on a deep understanding of our stakeholders' needs and market trends."

Ricardo Dueñas, CEO of OMA, noted: "Avolta has been a key partner for the group, delivering products that enhance the

travel experience for our passengers at our airports. The continuity of this collaboration is crucial for us, as both companies strive to evolve in line with the dynamic travel market, ensuring we meet the needs of travelers today and tomorrow."

Earlier this month, Avolta had also announced a new five-year contract at Guadalajara International Airport (GDL), the third busiest airport in Mexico. Avolta will carry out a complete renovation of its three existing main stores at the airport and will open an additional two new stores across more than 1200 square meters of duty free and duty-paid space.

Hendrick's shines with Sunspell Gin activations at JFK and LAX



Hendrick's Gin continues to roll out the GTR exclusive Hendrick's Sunspell Gin with a new series of sunset-inspired activations at key airports, including stand-out presentations at New York JFK and Los Angeles International airports, where striking HPPs immersed travelers in the magic of sunset.

The campaign debuted in March at a number of airports worldwide – including London Heathrow, Singapore and Sydney, followed by Dubai, New York and Los Angeles, and an engaging pop-up at Amsterdam Schiphol.

The latest travel retail-exclusive addition to the Hendrick's Cabinet of Curiosities was officially unveiled by Master Distiller Lesley Gracie, at the TFWA 2024 World Exhibition. Hendrick's Sunspell is inspired by the sunset behind the island of Ailsa Craig, on the South Ayrshire coast of Scotland. Every touchpoint of this Magic of Sunset experience is designed to engage travelers, bringing this bright, citrus forward gin, and its inspiration, to life.

Designed to spark engagement, each immersive activation blends storytelling and theater in a multi-sensory experience.

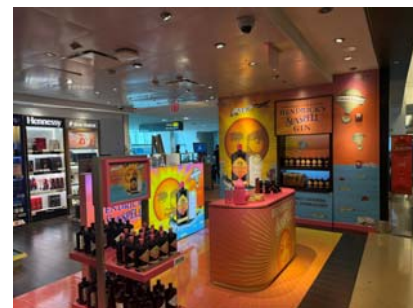
At Amsterdam Schiphol, a month-long pop-up, created and produced by London-based creative Agency Space UK, launched April 1, featuring a larger-than-life animated sun. Guests could taste a complimentary Sunspell & Tonic, served by brand ambassadors.

The Sunset Mesmeriser invited guests to step into 'Magic' hour,

showcasing a selection of sunsets from across the globe.

The Scent Station educated passengers on the spices and warm citrus botanicals used in Hendrick's Sunspell, taking them on an aromatic journey that ends with the signature cucumber and rose infusion.

The Sunset Aura Orb provided Sunspell aura readings captured via a QR code, inspired by the power of the sunset. Each customer who made a purchase was offered a pair of sunglasses, available in two sunset-inspired colors: pink or orange. An exclusive gift bag was



Hendrick's launches limited edition gift pack: The Whimsical Watering Can

Hendrick's Gin has released the Whimsical Watering Can, a gift pack available exclusively for global travel retail from end of May 2025 while stocks last.

The Whimsical Watering Can houses a bottle of Hendrick's Gin that's been infused with rose and cucumber. The gift pack has been designed to help you grow your own cucumbers at home. William Grant & Sons Global Travel Retail Regional Managing Director Rufus Parkinson says,

"There is nothing quite like The Whimsical Watering Can by Hendrick's in global travel retail. This stand-out gift pack is bound to attract the attention of curious travelers and be a real crowd-pleaser when entertaining (responsibly) at home. The functional

element of the watering can is inspired to tap into consumers' passion for botany, which is ever-so important for cultivating the freshest of cucumber cocktail garnishes. We've created only a limited production run of these Whimsical Watering Cans, so if consumers are keen to add this to their collection of Hendrick's oddities, they'll need to snag one while they can!"

A limited release of the Whimsical Watering Can will be available with the purchase of a 70cl bottle of Hendrick's Gin Original from the end of May through Summer 2025, at selected airports globally, including at New York JFK, Los Angeles, and Miami in the USA.



"There is no denying that this eye-catching Magic of Sunset campaign can stop traveling consumers in their tracks," says Gwilym Cooke, William Grant & Sons' Head of Marketing GTR. "It encourages interaction and engagement with a touch of theater and offers the all-important Sunspell tasting.

"We believe there is significant potential to increase conversion in the global travel retail market by addressing shoppers' demand for new products from trusted brands and offering a travel retail exclusive is one of the top drivers of purchase. Our goal is to deliver a story-led gin with an intriguing flavor that is undeniably Hendrick's—a perfect addition to the Cabinet of Curiosities."

"This is also the perfect opportunity for us to collaborate closely with our partners on immersive brand experiences. Hendrick's Gin's universe lends itself beautifully to high-profile, engaging activations, and Sunspell is no exception. With its vivid colors and enchanting concept, it captures the wonder, and delight that define the Hendrick's world."



From left above: The Avolta St. Lucia team at the Fenty Beauty launch; Fenty Regional Trainer Kim Layne demonstrates products; capacity crowds at the opening party in St. Lucia.

Fenty Beauty's march across the Caribbean reaches St. Lucia and St. Thomas

Essence Corp has announced the opening of its 20th Fenty Beauty location in the Caribbean on June 7th, marking a significant milestone in the brand's regional expansion.

This latest launch, in partnership with Avolta, is located at Castries Duty Free in St. Lucia and represents the fourth Fenty Beauty location opened with Avolta, following the initial launch in Barbados last October.

Essence Corp continues to bring Rihanna's inclusive, trend-setting beauty brand to more consumers across the region, offering access to high-performance products and expert makeup services.

"Essence Corp proudly opened its fourth Fenty Beauty location with Avolta at Castries Duty Free. Avolta has been an incredible partner throughout this journey, and we're truly grateful for their collaboration in bringing the most relevant and inclusive beauty brand to the Caribbean," Gabriela Mier y Terán, Area Manager, Essence Corp, tells *TMI*.

"With this new location, Fenty Beauty is now directly accessible in St. Lucia, offering all St. Lucians the opportunity to experience the brand firsthand, along with top-of-the-line makeup services and personalized skincare consultations," she adds.

Essence Corp made a major splash with a simultaneous nine-island launch across the Caribbean for Fenty Beauty, Fenty Skin & Fenty Eau de Parfum by Rihanna that commenced on Oct. 24th and peaked in November with two days of special events in Rihanna's home country of Barbados, which culminated in an exclusive party where the superstar made a surprise appearance. (See Special Report in [TMI Vol. 25 No. 36](#))

Essence Corp has since rolled out the brand with a major event with Fontana in Jamaica (two locations) in April, and also opened location #21 on June 21st at Image's Luryx Duty Free in St. Thomas (more information to come).



Above: Avolta's Store Manager Vernessa Henry, Essence Corp Area Manager Gabriela Mier y Teran, and Tamara Gibson, Chair of St. Lucia Carnival. Below: St. Lucia's Fenty makeup artist Paige Ranaey.

Puig prelaunches new Carolina Herrera La Bomba in airport travel retail

Puig is planning its largest fragrance launch for Carolina Herrera in a decade with "La Bomba," which is first pre-launching exclusively in airports worldwide June 15 – August 15, before hitting local markets globally.

La Bomba, created by Givaudan perfumers Christophe Raynaud, Louise Turner and Quentin Bisch, opens with red dragon fruit, with a heart of cherry peony and frangipani and dries down to spicy vanilla. The juice is vegan and composed of 86 percent natural-origin ingredients.

La Bomba is presented in a 50-milliliter, refillable butterfly-shaped, fuchsia-toned bottle made of glass and rose quartz-inspired stone, with a golden insignia cap.

The La Bomba line will also include body creams and oils.



Rumors hint of a Coty sale

Coty Inc. is reportedly exploring a potential sale of its business, according to *WWD* and multiple stories in the beauty press.

According to reports, early discussions are said to involve divesting both Coty's Luxury and Consumer beauty divisions.

A two-part sale would separate Coty's prestige fragrance and beauty brands—including Gucci, Burberry, Hugo Boss, and Jil Sander—from its mass-market portfolio, which includes Covergirl, Rimmel London, and Max Factor.

Talks are said to be at an early stage, with Interparfums reportedly in discussions to acquire select fragrance licenses, particularly Burberry and Hugo Boss.

Gucci's beauty license is expected to revert to parent company Kering when it expires around 2028, say the reports.

