



The MEADFA Conference
Inflight Retail Workshop: Innovation Inflight

25-26 November 2013, Doha

Frank Passmann

President International Travel Retail

- Luxury Brands in Inflight

- The Inflight Market
 - Promotion
 - Attractiveness

- The Future of Inflight Retail

Luxury Brands in Inflight

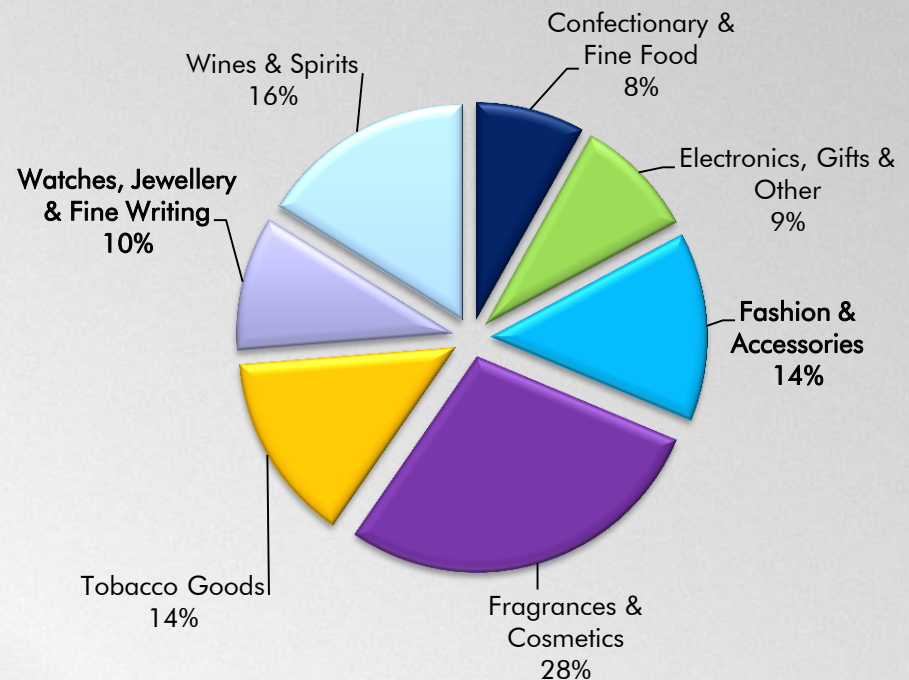
The Importance of Inflight for Luxury brands:

Inflight plays a crucial part in PR and communications due to a high reach and captive audience

Inflight is perceived as a proper sales channel for accessible luxury goods

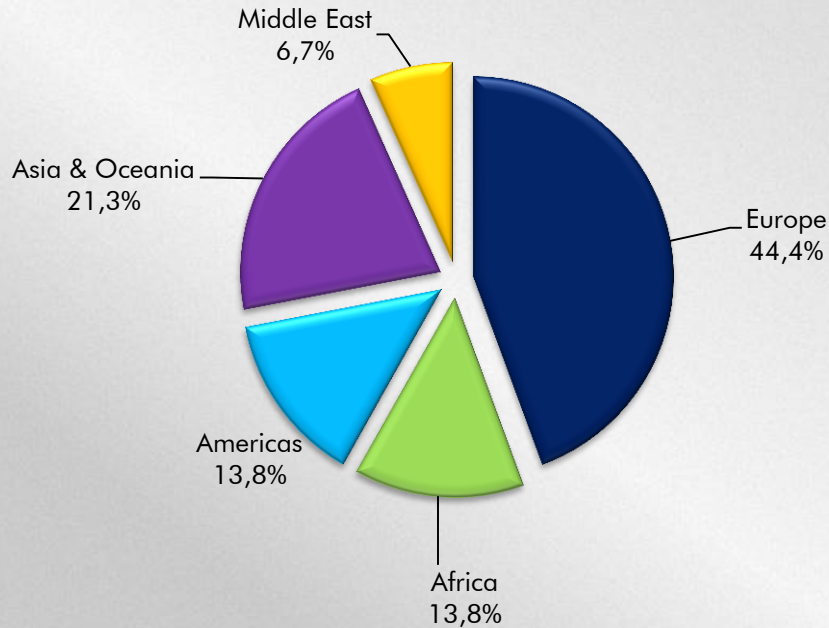
Perfect match of customers in Business and First Class.

Duty Free Category Shares

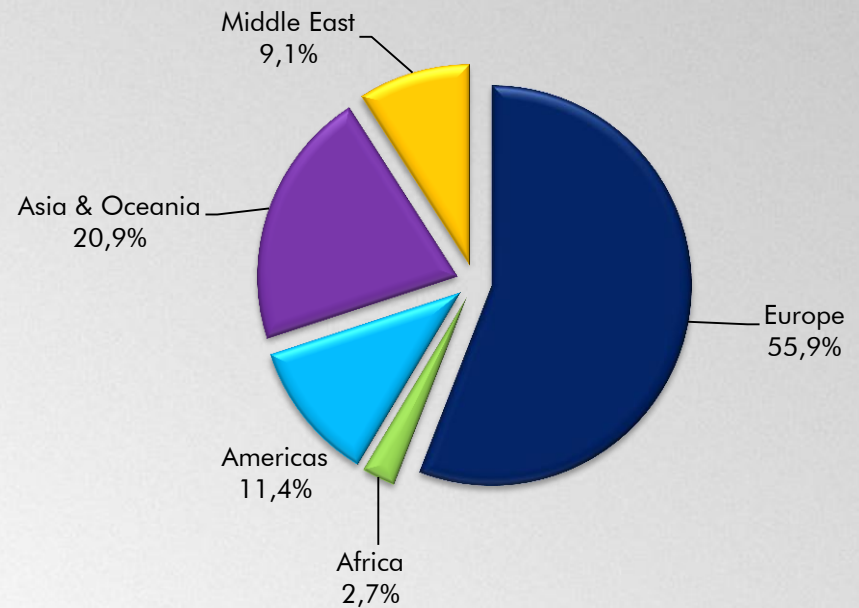


Inflight Customer Potential

Number of Airlines with Inflight Sales: 225



Customer Potential: 933.9 million



*Customer potential = no. of passengers having the theoretical opportunity of visiting the shop(s) (i.e. departing/transit passengers and those on international routes)

Examples of Luxury Brands Inflight Listings

AIR FRANCE

LONGCHAMP

SAC DE VOYAGE PLIABLE EXTENSIBLE

Moyen ou grand, ce sac griffé Longchamp s'adapte à tous les besoins. Aussi léger que pratique, en Nylon, vous pouvez l'emporter partout lorsqu'il est plié. Couleur : gris anthracite et crème.

Medium or large size, this bag by Longchamp is suitable for all occasions. Made of Nylon, convenient and lightweight. Colour: anthracite gray and cream.

Plié / Folded: 23 x 12 x 4 cm,
Déplié / Open: 46 x 36 x 23 cm,
Agrandi / Expanded: 65 x 69 x 23 cm.

89 € 390

Exclusivité pour Air France
Air France exclusive



LEONARD PARIS

CARRÉ LEONARD PARIS

Taille Size: 90 x 90 cm

Ce carré en soie de sole nouée à la main dévoile ses cartes de noblesse et sa rivale exclusif et intemporel. Un imprimé éclatant de lumière composé de petites fleurs typiques du créateur dans une ambiance cachemire inspirée de l'Orient, qui se fondent dans le filés de pure soie.

This hand-rolled silk scarf reveals its noble art, and shows how exclusive and timeless it has become. A beautiful high floral print, typical of the designer, with an oriental inspired cashmere print atmosphere, combined together onto a pure silk fabric.

189 € Economies / Save: 116

Examples of Luxury Brands Inflight Listings



EDUCATION IS THE FOUNDATION FOR A BETTER FUTURE.

Visit www.montblanc.com/signatureforgood to learn about our Signature for Good initiative and to build a better future - brick by brick. With the *Signature for Good Collection*, Montblanc supports UNICEF's education projects in Asia, Africa, and Latin America. Part of the proceeds of this collection will be donated to UNICEF projects to build and run schools in these regions and help children pave their way to a successful, self-determined, and happy life.

MONTBLANC **unicef**

VISIT MONTBLANC.COM

Montblanc Meisterstück Signature for Good Classique Kugelschreiber
 Lesen und Schreiben ist ein fundamentales Menschenrecht und von unschätzbarem Wert für jedes Kind. Die neue Signature for Good Collection ist ein wertvoller Beitrag und Baustein im Kampf gegen Analphabetismus. Ein blauer Saphir zielt in Anlehnung an das UNICEF Logo den Kappenkopf des schwarzen Edelhartzugelschreibers. Jedes Produkt der Kollektion ist individuell nummeriert und eine feine Gravur in Form des Mauersteins symbolisiert den Grundgedanken der Initiative – Stein für Stein eine bessere Zukunft aufzubauen.
 The precious black resin ballpoint pen is designed to make a valuable and lasting contribution towards building a better future for children. The blue sapphire, echoing the colour of the UNICEF brand, adorns the archetypical platinum-plated cap. Each product is individually numbered and features a unique brick design, symbolizing the access to education, including the construction of schools – brick by brick.

€ 330,- oder/for miles 96.000 UVP/RRP € 365,-

BVLGARI Letters Maxi Scarf
 Der BVLGARI Letters Maxi Scarf besteht aus dunkelweißen kostbaren Modestoffen aus Seide (95%) und Wolle (5%) in eleganten Tönen: Schwarz, Creme oder Rosa. Breite: 70 cm, Länge: 180 cm, in Italien hergestellt. Bitte fragen Sie nach den an Bord erhältlichen Details.
 The BVLGARI Letters Maxi scarf is made of a precious mix of silk (95%) and wool (5%) for a luxurious feeling. Soft to touch, warm and light it is the perfect accessory available for all occasions. Three different colors with BVLGARI monogram logo: black, off-white or old pink. Width: 70 cm, length: 180 cm. Made in Italy. Please ask for the styles available on board your flight.

€ 235,- oder/for miles 69.000 UVP/RRP € 280,-

Examples of Luxury Brands Inflight Listings

Emirates Duty Free Collection

A tribute to GRACE and ELEGANCE

The Montblanc Collection Princesse Grace de Monaco features exquisite timepieces, fine writing instruments and precious jewelry.

MONTBLANC
www.montblanc-tribute-to-grace.com

Emirates
emirates.com

A tribute to GRACE

Your opportunity to win this exquisite writing instrument and a First Class trip to Hamburg, the birthplace of Montblanc.

Montblanc, partner of the Princess Grace Foundation, is paying tribute to a remarkable woman, Her Serene Highness Princess Grace of Monaco, and has created the Collection Princesse Grace de Monaco in her honour. This is a woman admired for her iconic, timeless style, her sales as an Oscar-winning actress, and for her unrelenting commitment to helping others.

The Collection, consisting of fine jewellery sets, timepieces and writing instruments, is true to Princess Grace of Monaco's iconic, enduring style and sophistication. Feminine and timeless elegance, the pieces from this collection are some of the most exquisite ever crafted by Montblanc's Artisans, rich in detail inspired by this icon's spirit and iconic style.

The Prize
A First Class return ticket for you, and a companion, to Hamburg where you will personally collect your Princess Grace de Monaco Limited Edition 29 Fountains Pen, valued at €25,000.

You will also have the opportunity to witness master craftsmanship at work at Montblanc's Artisan Atelier.

Princesse Grace de Monaco Limited Edition 29 Fountains Pen.

To Win
Simply purchase the Princess Grace de Monaco Ballpoint Pen Special Edition by Montblanc and this stunning writing instrument and First Class Hamburg experience could be yours. Please ask a member of cabin crew for more details.

Princesse Grace de Monaco Ballpoint Pen Special Edition by Montblanc
This exquisite writing instrument made of royal purple precious metal embodies Princess Grace's timeless style and iconic power. Every line about this Edition is majestic, from its feminine machine design, to the lavish addition of a pearl-car pink topaz on the clip. Both the gold-plated cap and barrel rings are intricately engraved with a thistle pattern, inspired by the Principality of Monaco's coat of arms.

MONTBLANC
www.montblanc-tribute-to-grace.com

Examples of Luxury Brands Inflight Listings



CRAFTSMANSHIP. Inspired by Europe's highest mountain. When the founders of Montblanc were searching for an icon that embodied the very highest standards of excellence, timeless style, eternal elegance and unsurpassed craftsmanship, it was Europe's highest peak and its six glaciers that inspired them.



145 MONTBLANC STARWALKER RESIN RED GOLD-PLATED BALLPOINT PEN

Montblanc 星际行者系列之树脂红镀金圆珠笔
Montblanc スターウォーカー レッドゴールド レジン ボールペン

The ballpoint pen features deep black precious resin with contrasting red gold-plated fittings. The white Montblanc emblem floats in the transparent dome emphasising the silhouette of the gold-plated ballpoint pen.

Montblanc 星际行者系列推出树脂红镀金圆珠笔。笔冠为亮金不鏽钢设计并嵌有标志。黑色树脂笔杆饰以亮金细节。笔帽透明树脂材质并嵌有亮金星形标志。标志经制笔工匠为每支星际行者书写工具所精心打造。

SS\$51



*Contents not included

146 MONTBLANC MEISTERSTÜCK WALLET BCC

Montblanc 大师系列皮夹 91 信用卡夹
Montblanc マイスターシュチュック ウォレット BCC

This wallet is made of black European full-grain cowhide with unique Montblanc deep shine and black jacquard lining. It features six pockets for credit cards, two compartments for banknotes and two additional pockets. The cover is adorned with the famous Montblanc emblem set in a palladium-plated ring.

高品质欧洲全粒面高牛皮制成。配衬 Montblanc 特有的深光泽黑色提花衬里。设有六个信用卡袋、两个纸币隔层、两个附袋，正背面饰有提花徽标。饰有 Montblanc 六角白星标志。

SS\$308



*Contents not included

147 MONTBLANC MEISTERSTÜCK BUSINESS CARD HOLDER

Montblanc 大师系列名片夹
Montblanc マイスターシュチュック 名刺ホルダー

This business card holder is made of black European full-grain cowhide with unique Montblanc deep shine and black jacquard lining. It features a pocket for business cards and an extra pocket plus two compartments for credit cards.

高品质小牛皮制成。配有一个名片隔层、一个附袋和两个信用卡隔层。

SS\$187



Examples of Luxury Brands Inflight Listings

10. BVLGARI
Green Fall Earrings DL
 耳環
 The rich and lively lighting like a colorful mosaic has a subtle, sleek, clear design with fine accents of black leather and a background of patterned enamel finishes. Each pair is unique.

11. BVLGARI
Shield for the Wallet Egoist
 錢包
 The most subtle lighting like a colorful mosaic has a subtle, sleek, clear design with fine accents of black leather and a background of patterned enamel finishes. Each pair is unique.

12. BVLGARI
Shield for the Wallet Egoist
 錢包
 The most subtle lighting like a colorful mosaic has a subtle, sleek, clear design with fine accents of black leather and a background of patterned enamel finishes. Each pair is unique.

1
 12.1 12.1
 25,000
 12.1 12.1 12.1

2
 12.1 12.1
 25,000
 12.1 12.1 12.1

4
Montblanc Princess Grace du Monaco Ballpoint Pen
 鋼筆
 119,000
 119,000

Collection PRINCESSE GRACE DE MONACO

Precise mini writing instrument, cap and barrel in royal purple with champagne-gold-plated fittings, pink-cu pink tips.

MONTBLANC

StarWalker MED GOLD

310,-

150,-

140,-

ASSERTIVE | Discover the StarWalker Midnight Black

MONTBLANC

230,-

Lufthansa

AIR CHINA

GUCCI GG 3043 太阳镜
GUCCI GG 3043 太阳镜
GUCCI GG 3043 太阳镜

US\$245

Examples of Luxury Brands Inflight Listings

GRAF VON FABER-CASTELL

The Faber-Castell company was founded in **1761**, and from the mid-19th century developed into the major manufacturer of wood-cased pencils, both graphite and colour. Baron Lothar von Faber turned the humble pencil into the world's first brand-name writing implement. The history of the Castell family and county can be traced back to the 11th century. The Castell families own, among other things, the oldest private bank in Bavaria and one of Germany's oldest vineyards.

Faber-Castell is the oldest as well as one of the most renowned companies in the writing implement industry worldwide.

250 YEARS OF QUALITY
 FABER-CASTELL HAS NOW BEEN
 IN THE SAME FAMILIES
 FOR EIGHT GENERATIONS.
Handmade in Germany

CLASSIC ANELLO BALLPOINT PEN IN EBONY AND PLATINUM

CLASSIC ANELLO ROLLERBALL PEN IN IVORY COLORED PRECIOUS RESIN AND PLATINUM

QATAR AIRWAYS shopping extravaganza

GRAF VON FABER-CASTELL

Item code 7812
GRAF VON FABER-CASTELL
 Classic Anello Ebony Ballpoint Pen
 قلم كروي فايفر كاستل
 قلم أنيلو في العنبر والبلاتين

The barrel of the propelling ballpoint pen consists of several segments made of precious ebony wood with fine platinum rings between them. The gleaming platinum-plated metal cap has a solid spring-loaded metal clip which holds it securely in your pocket. The ball point's slim design and good weight balance ensure that the pleasure of writing and using it is as timeless as its design.

QR 1510 US\$ 414

Item code 7811
GRAF VON FABER-CASTELL
 Classic Anello Ivory Rollerball Pen
 قلم أنيلو فايفر كاستل
 قلم أنيلو فايفر كاستل

This elegant roller-ball pen is an eye-catcher and a stylish accessory. Its barrel consists of several segments of ivory colored precious resin with fine platinum rings between them. The platinum cap has a solid spring-loaded clip, and the black refill with its precision point makes this roller-ball pen glide smoothly over the paper. Pure elegance, handmade in Germany.

QR 1510 US\$ 414

QATAR AIRWAYS القطرية

QATAR AIRWAYS shopping extravaganza

CERRUTI 1881

Item code 7303
CERRUTI 1881
 Bamboo Silver Rollerball Pen
 قلم أنيلو فايفر كاستل

The Cerruti 1881 Bamboo rollerball pen has a soft modern look. This pen sits easily in the hand and is a pleasure to write with. Supplied with a 2 year international warranty.

QR 365 US\$ 100

Item code 4114
CERRUTI 1881
 Alto Roller Ball Pen
 قلم شيروتي

The Cerruti 1881 brand was started in Italy in 1881. The qualities and values of the brand can be appreciated through the classic and authentic design of this beautiful pen. Supplied with a 2 year international warranty.

QR 180 US\$ 50

QATAR AIRWAYS shopping extravaganza

Item code 7810
AIGNER
 Classique Ball Point Pen
 قلم فايفر كاستل

Every Aigner accessory is crafted with care to achieve meticulous results with exquisite quality. The black Classique ball point pen reflects sophisticated elegance for those who wish to combine modern writing with a classic design. The 'M' logo, encrusted with sparkling stones, is placed on the silver-colored rim of the cap. The pen is made of stainless steel and comes with a 12 month international warranty. What better way to get noticed during your business meetings!

QR 450 US\$ 124

Item code 7845
SWAROVSKI
 Crystalline White Pearl Pen
 قلم سواروفسكي
 قلم كريستال مزركع بالؤلؤلر الأبيض

Create your own stories and sign your best deals with this ballpoint pen which will add sparkle to any desk. The clip features the Swarovski brand name, while the body sparkles with crystal chatons. Its high-quality refill can be replaced.

QR 145 US\$ 40

Item code 6688
SWAROVSKI
 Crystalline Anthracite Ballpoint Pen
 سواروفسكي قلم أنتراسايت كريستال

Create your own stories and sign your best deals with this ballpoint pen which will add sparkle to any desk. The clip features the Swarovski brand name, while the body sparkles with crystal chatons. Its high-quality refill can be replaced.

QR 145 US\$ 40

Inflight Promotion Example: Singapore First and Business Class Flyer

KRISSHOP
FIRST AND BUSINESS CLASS EXCLUSIVE
INFLIGHT DUTY FREE SHOP



MONTBLANC - 500MAKERS FOR 100 YEARS

The venerable master of watchmaking is a craftsman dedicated to the commitment to superior craftsmanship and the finest materials. The brand with the six stars, symbol of the highest tradition in horology, is celebrating its 100th anniversary in honor of the master craftsmen of watchmaking. This anniversary marks the start of a new era in the history of every single product, giving it something special again.

The brand has been successful - all Montblanc watches are designed and manufactured with precision and care from the finest materials that are available in the industry of the world. The spirit of the brand is the same as the spirit of the world's finest watchmakers.

This is the spirit of "Haus Rössler" precision and passion, a commitment to traditional craftsmanship and to the quality of every single component, as well as a passion for success in time.

MONTBLANC - THE MEISTERSTÜCK XXL AUTOMATIC

Montblanc Meisterstück watch featuring a silver-tone stainless steel case, self-winding mechanical movement, steel bracelet, and Roman numeral hour markers. Water resistant to 30m. Price: \$1,200.00. Duty Free US \$ 1,000.

MONTBLANC - THE MEISTERSTÜCK CHRONOGRAPH

Montblanc Meisterstück chronograph watch featuring a stainless steel case, self-winding mechanical movement, stainless steel bracelet, and Roman numeral hour markers. Water resistant to 30m. Price: \$1,500.00. Duty Free US \$ 1,300.

Inflight Promotion Example: KLM Business Class Flyer

MONTBLANC



MONTBLANC
061

Meisterstück Clásique Ballpoint Pen
Luxurious ballpoint pen made of black precious resin with highly polished gold-plated fittings and the characteristic three-ring design. The Montblanc emblem crowning the gold-plated cap stands for fine craftsmanship.
EAN 490 9190 606 005 - Local price: €295
tax free
€245

MONTBLANC
390

Meisterstück Mobile Phone Case
Crafted from the finest calf leather with velvety soft lining, the Meisterstück mobile phone case combines timeless beauty with design with supreme quality. The cover features the famous Montblanc emblem set in a palladium-plated ring, suitable for phone 3G/GS, and 4G.
EAN 490 9190 606 005 - Local price: €190
tax free
€125



MONTBLANC
095

Passport Holder
High-quality calf leather passport holder with logo lining. Featuring the platinum-plated Montblanc star emblem logo on the front cover. Size: 11x8cm.
EAN 490 9190 606 005 - Local price: €190
tax free
€109

KLM

Words of gold

World Business Class Selection
SEPT 2012

Tax-free shopping in the air

MONTBLANC
233

Starwalker Midnight Black Ballpoint Pen
A ballpoint pen made of black precious resin, the ruthenium-plated fittings and the Montblanc emblem floating in the transparent cap top, enhance the innovative design of this writing instrument.
EAN 490 9190 606 005 - Local price: €245
tax free
€205

Inflight Promotion Example: Emirates Airline campaign *"Make a Winning Bid"*

- 3-months on-board charity auction for a special "one of one" MB watch on all Emirates' flights worldwide
- Promotion open to all passengers
 - Min. starting bid US\$ 65.000
 - Winning bid US\$ 250.000.
- This was the highest onboard purchase ever made.

MONT BLANC

As a discerning Emirates traveller you now have the privilege of bidding for the ultimate watch - the Mont Blanc chronograph automatic in 18ct white gold. Featuring the Mont Blanc logo in a 43 faceted diamond and bezel set with black and white diamonds. Included in your bid is a trip to LeLocle, home of the world's finest watchmakers.

Minimum bidding price starts at US\$ 65,000.
You may send in your bid by filling in the order available onboard from a member of cabin crew for a limited period only from 1st March - 31st May 2006.

- 11kg of 18ct solid white gold
- Mont Blanc logo in a 43 faceted diamond
- Bezel set with black and white diamonds with a total weight of 1.5g
- Officially certified chronometer

Fly First class to Zurich

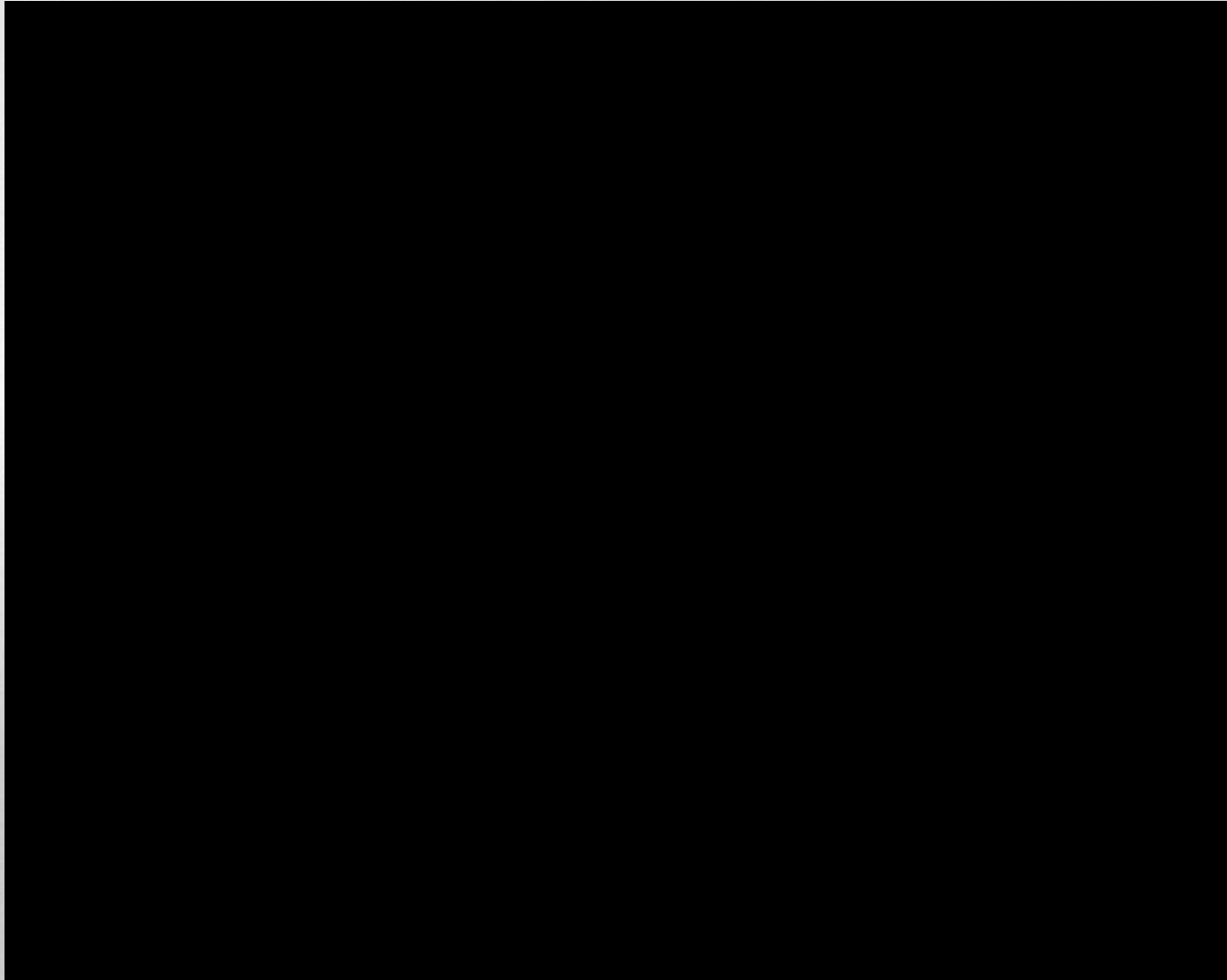
As part of your winning bid you will fly to Zurich along with a companion on Emirates Airline. On arrival in Zurich, the winner will be a royal guest of the Mont Blanc Chrono for two nights in LeLocle, in the sublime mountains of the Swiss Alps, where this timeless piece of Mont Blanc perfection was crafted. The collection of your watch will be in Detail.

All proceeds will be donated to Charity
All proceeds from this bid, including the cost of the watch, will be donated to a charity dedicated to providing a safe, nurturing and loving environment and better quality of life for children in need across the world.

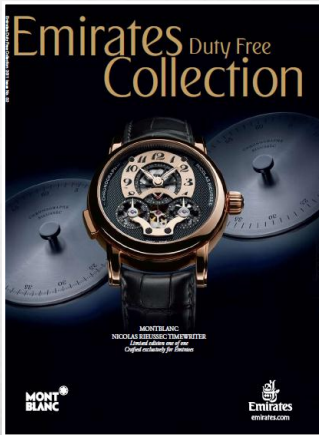
• Ask a member of cabin crew for your bid form
• Terms and conditions apply

Make a winning bid
for the limited edition one of one Mont Blanc chrono centennial watch created exclusively for Emirates

Minimum bid US\$ 65,000



Inflight Promotion Example: Emirates Airline campaign „Fly, Bid, Win“



- To celebrate 190th anniversary of the Chronograph
- 3 months on-board charity auction for a Limited Edition Nicolas Rieussec TimeWriter Collection created exclusively for Emirates
- Promotion open to all on-board Emirates passengers with
 - Minimum starting bid US\$ 45.000
 - Winning bid US\$ 90.000
- 87 bids were made



The Inflight Market

Proposed Airline and Concessionair Actions to Promote Onboard Offer



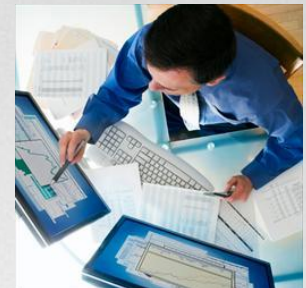
Understand & focus on customer needs

Utilize mobile computing to train crew



Use of digital media to engage passengers

Use of BI and analytics to target passengers



Inflight Retail - Attractiveness for the Luxury Market?

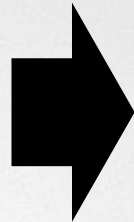
Missing luxury appeal and environment...
...due to a lack of luxurious boutique atmosphere:



Inflight Retail - Attractiveness for the Luxury Market?

Missing luxury appeal and environment...
...due to a lack of presentation:

In-store & MB online shop packaging



Inflight packaging



Inflight Retail - Attractiveness for the Luxury Market?

Missing luxury appeal and environment...
 ...due to a lack of say in catalogue layout:

Luxury brand appropriate layout

Typical catalogue layout



The Future of Inflight Retail

How Inflight retail attractiveness may be ensured for luxury brands?

- Allow brands to advertise their products according to their wants and needs.
 - Respect brand image and DNA.
 - Allow brand to layout the catalogue pages
- Improve onboard catalogues. Cluster in premium brands and low-end of the price segment.
- Intensive training for flight attendants to sell luxury products appropriately.
- Improve on-board presentation
 - Use trolleys not as a selling tool rather than a mobile storage tool
 - Seat delivery. Packaging. Special Airline wrapping.

How Inflight retail attractiveness may be ensured for luxury brands?

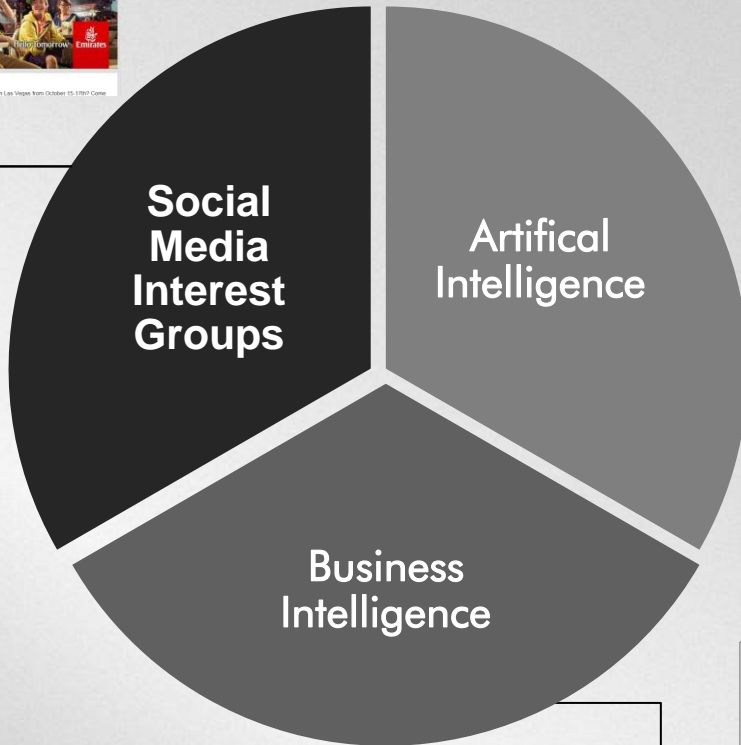
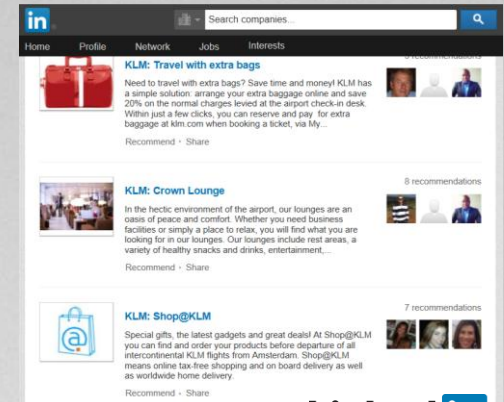
- Cross Media approach
 - Advertise already at airports
 - Onboard video and interactive animated shopping site
 - Catalogue reference to other media
 - Distribution through Crew

- Cross Channel Marketing
 - Partner with ground retailers.

- Expand and improve Pre-order options

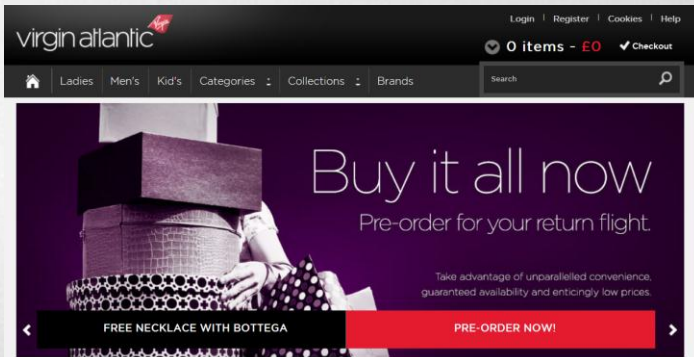
- Use new media interact with passengers and anticipate needs

New Marketing Tools & Techniques



UNITED FLIGHT D3048	RAP - DEN	LAST NAME, FIRST NAME	UNITED FLIGHT D3048
DEPARTURE GATE A22	1ST LEG TO SFO 1 TRANSFER AT DEN	SEAT NUMBER 23A Coach	LAST NAME, FIRST NAME
BOARDS AT 3:15 PM	2:287 305 3958 3300 0 0015A UNITED AIRLINES INC	RAPID CITY SD TO DENVER CO RAP TO DEN	DEPARTS 3:40 PM
BOARDING ZONE 2	SEPT 01 2010 PCL. OR WT. SHAK WT. 100.00. PCL. OR WT. SHAK WT.	UNITED BOARDING PASS	

How to Make Inflight A Competitive Point-of-Sale: Improve Service-Value-Chain



Pre-ordering To Service Before Entering The Airport

Touch-points



Personalised & Targeted Offers



Thank You For Your Attention