

Tourvest
Inflight Retail Services
Introducing the Real
Africa



What is Africa ?



What is Africa ?

**africa:
it's a
continent**



What is Africa ?

CNN
iReport

"AFRICA
IS NOT
DEFINED BY
POVERTY."

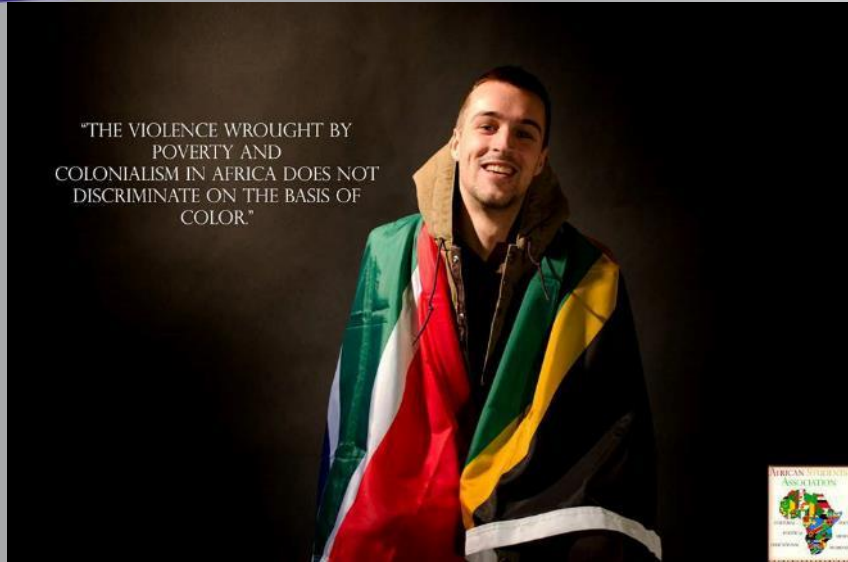
COURTESY MARIEH BOUCHER

"I DON'T SPEAK
'AFRICAN' BECAUSE 'AFRICAN' IS
NOT A LANGUAGE."

Fact: There are an estimated
2000 languages spoken in
Africa.

COURTESY MARIEH BOUCHER

What is Africa ?



What is Africa ?



“AFRICAN LEADERS ARE NOT ALL DICTATORS, FOR DEMOCRACY IS NOT NEW TO AFRICA.”

Fact: It was because of great leaders like Nelson Mandela and Kwame Nkrumah that Africans liberated themselves from colonial rule.



“AFRICA IS NOT A COUNTRY.”

Fact: Africa is a continent made up of 56 countries.



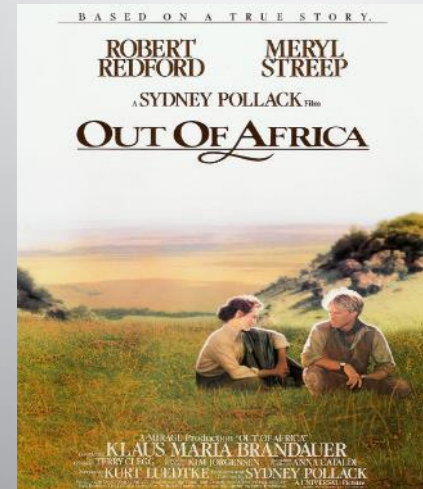
What is Africa ?

- There are 54 internationally recognized sovereign states
- 15% of the world's population
- The population will double to 2.3 billion by 2050
- 50% of the population is 19 or younger
- 20.4% of the world's land area
- 30% of the world's remaining mineral resources
- Around 80 per cent of African people live on less than US\$2 a day



But people still mistake it for a country

- Its this whole other country – Joe Biden
- Just touched down in Africa – Bill Clinton
- Do you go to Oceania on holidays
- Have you seen the film Out of Asia
- Guardian journalist don't use "Asia" when talking of Hyderabad or Shenzhen. They use "India" and "China".



The economy starts

According to Business Insider Nigeria will have the Worlds fastest growing economy over the next 40 years

Africa to take 4 of the top ten fastest growing economies

1. Ethiopia
2. Democratic Republic of Congo
3. Côte d'Ivoire
4. Mozambique

11 countries are responsible for 80% of the continents GDP Deloitte Analysis



Top African Airlines

Flight Global	Industry remarks
1. South African Airways	Underpenetrated - 20% of the global average seats per head of population
2. Egyptair	Less than 3% of the worlds air traffic is in Africa
3. Royal Air Maroc	Government interference is a huge issue
4. Ethiopian Airlines	Huge competition by non African carriers = 80% of traffic outside
5. Kenya Airways	125 airlines from 18 countries banned from flying in European airspace
6. Air Algerie	Perpetuates a perceived view of Africa safety
7. Tunisair	

IATA Outlook – Inflight Retail is a huge opportunity

Stronger global performance

Aggregate net profit,
\$ billion



But major regional contrasts

Average net profit per passenger



IATA Airline Industry Outlook for 2015

Overall airline performance is improving. 80.2% passenger load factor a record high. 33% fall in fuel prices greatly moderated by 20% appreciation of the US dollar.



Travel Retail - Challenges

GLOBAL SALES BY REGION MARKET SHARE 2014

- 1.4% of World Travel retail market
- Growth of 4.4% in 2014
- Difficult legislations and interpretations
- Restrictions / rules / laws
- International Airlines control but no data mining
- Media interpretation - Ebola



Travel Retail - Challenges

- 70% come by road - not true tourists in travel retail sense - traders, workers etc
- High business and VFR profile
- Airport retail Gender split is Male 65% v Female 35%
- African Hub – high African traveller component
- People budget in their home currencies
- Don't buy more items, but buy higher value items
- Increase in destination retail
- Prime gifting items appealing to a very wide segment of pax



Travel Retail - Challenges

Airport Infrastructure:

- Aging Infrastructure is critical
- Poor records of safety and security
- Harare airport
- Distance, price and limited connectivity
- Lack of adequate resources and infrastructure
- Regulation and visa issues
- Competition regulations required



Major Issues

- Increased pressure on airlines for fuel burn
- Load factor on average 57% - IATA
- Different cultures and ethnic origins
- Language issues
- No African differentials in Brochures
- Skincare prime example
- Tough customs environment



The future is bright - Yamoussoukro Decision

- By 2034, eight of the 10 fastest growing aviation markets will be in Africa
- Nearly 300 million passengers will travel to and from African destinations
- Much of this growth is expected in routes within the continent
- Despite travel warnings surrounding west Africa's Ebola outbreak, Africa drew 3% more tourists last year than in 2013, according to the UN's World Tourism Organisation
- In 2014, more than 50 million tourists travelled to Africa.
- This number is expected to increase further in 2015



New Airlines emerging

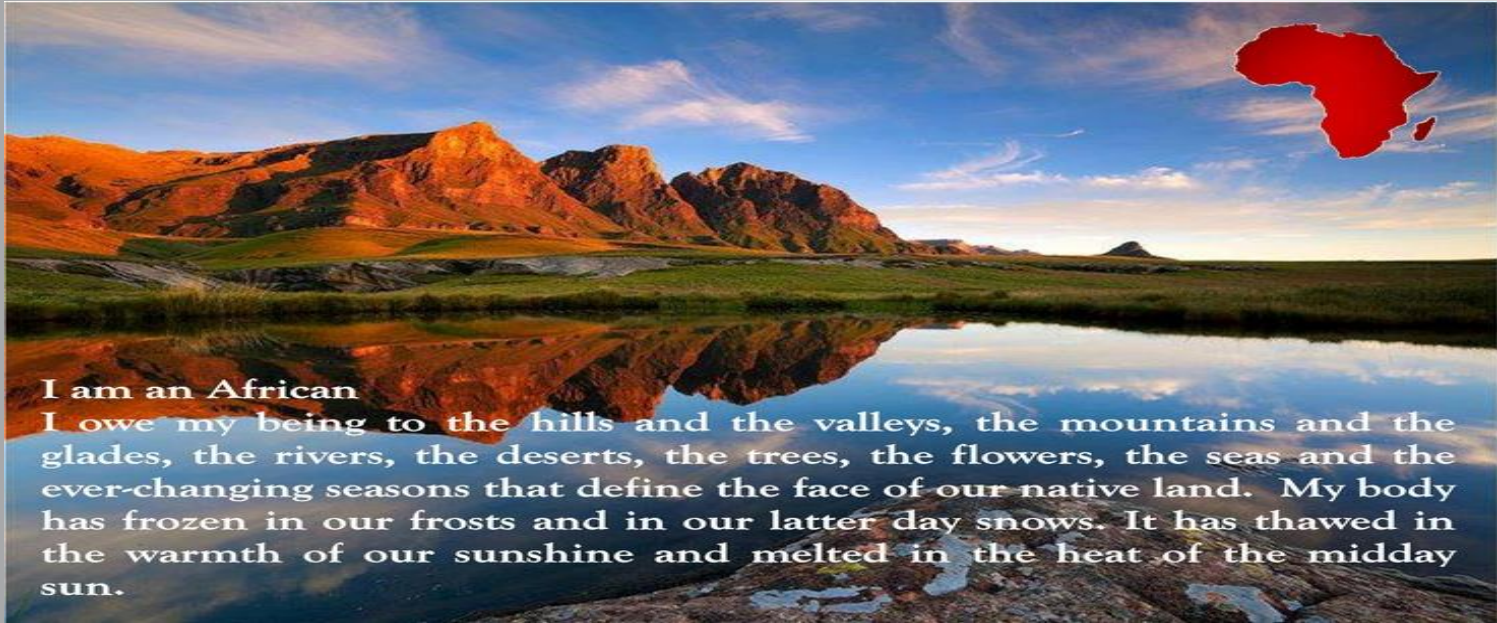


The future is bright –

- January 2015 – East Africa Open Skies
- Liberalisation of airways
- Increased usage in mobile technology
- Partnerships – frequent flyer
- Buy on Board
- Increase dwell time and conversion rates
- Direct to Passenger
- Developments in Indirect strategy



I am an African –



I am an African

I owe my being to the hills and the valleys, the mountains and the glades, the rivers, the deserts, the trees, the flowers, the seas and the ever-changing seasons that define the face of our native land. My body has frozen in our frosts and in our latter day snows. It has thawed in the warmth of our sunshine and melted in the heat of the midday sun.

