

# The Changing Face of Airports

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The aviation industry has always been a leader in development and innovation and this even more so today since the privatization of the major Canadian airports to local Airport Authorities. These airports are engines for economic development in the communities they serve and one of their most important elements of local infrastructure.

Over the last number of years, we have seen a rapid pace of development as new technology and social change propel at the Canadian airports from the traditional mode

of serving air passengers to offering a



greater span of services that are more in line with today's more sophisticated traveler.

What is happening? Air travel is undergoing a metamorphosis.

For much of the last two decades, conventional wisdom has been that upscale and luxury was the model to pursue. However, in toughened economic circumstances, customers are more cautious, leading to a rethink on how to increase passenger to shopper conversions.

Customer demands have changed as travelers have been exposed to more international airports as result of globalization. There is a desire for more personalized services in addition to the conventional services such as duty free, food and beverage & ground transportation services. This forces airports to be more competitive and innovative. The mix of airport retail is drastically changing.

Airports have been expanding their retail offerings beyond the traditional duty-free shops and newsstands, adding global brands with smaller-than-mall-store selections but comparable prices.

The challenge is how to persuade shoppers to do more of their

discretionary spending in the airport environment. Travelers may be willing to spend even more time and money at an airport if airports can provide inspiring leisure options and a competitive, enticing retail offering.

Given that air travel can be exhausting and stressful, a focus is being placed on offering a hub of diverse activities, especially leisure and services to retain, encourage, and attract travelers, well wishers and the general public to the airport environment by making the airport experience so impressive that you choose to shop there even if you are not an air traveler. The expansion and evolution of leisure facilities for travelers with interconnecting flights holds much promise.

How about taking a pre-flight swim, a body massage or sampling some local cuisine? No time to shop - then just use your in-flight app to make purchases in the air that you pick up on the ground? These concepts are all just around the corner.

It is the increased competition that is spurring radical changes in the travel industry & competition among airports is at the root of how things are changing. What is driving that competition is the traveler's thirst for choice, choice, and choice.

