Toulouse Airport now retail-ready for '12m by 2023'

Aéroport Toulouse Blagnac (ATB), tells *TRBusiness* that its newly completed extension and radical retail transformation - spurred by the arrival of its new shareholder in 2015 - properly equips it to serve over 12m passengers it expects to be processing in 2023.



In a trade exclusive interview, Bruno Balerdi, Non-Aeronautical Revenue Development Director at ATB, told *TRBusiness* that the new commercial offer is already exceeding passengers' expectations and that the airport hopes it can continue to attract more passengers from overseas.

This interview was held, in anticipation of an inauguration event taking place today, signalling the end of a major two-year extension project for the airport including – as reported – a transformation of the retail offer, a plethora of new F&B outlets, new piers and a 4-star hotel.

The airport told *TRBusiness* that it has extended the commercial area (*inclusive of retail and F&B*) by 5,000sq m. **As reported**, the space includes 17 new or renovated shops operated by Lagardère Travel Retail (*travel essentials*), Areas (*Elior Group*), Dufry as well as direct contracts with other independent brands.

### FRENCH AIRPORT EXCLUSIVES

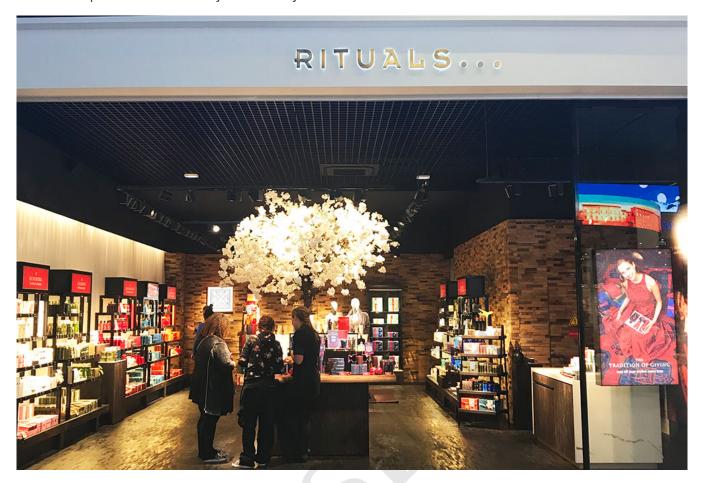
These include a number of French airport exclusives such as Rituals, Tous and Victoria's Secret. Other brands include La Tête dans les Etoiles & Looping, Parfois, The Fashion Place, Relay Stade Toulousain FNAC, Relay (two outlets), Mademoiselle Vernis, Relay Ducs de Gascogne, Relay Casino Shop, Donjon, FNAC, Aelia Beaute, Tie Rack and Travelex.



Terre d'Occitanie showcases local produce within the Dufry walkthrough store.

Karine Ducos-Pomes, Marketing Retail & Advertising Manager, Non-Aeronautical Department, Aéroport Toulouse-Blagnac, told *TRBusiness* that plans for this extension, were drawn up swiftly following the arrival of new Chinese shareholder, Casil Europe in 2015.

Parent companies, Chinas state-owned Shandong Hi-Speed Group and the Hong Kong-based Friedmann Pacific Asset Management, bought 49.99 percent of the airport in 2015. Casil Europe moved to acquire an additional 10% stake in the airport in early 2018, but the move was blocked by the French Government.



This Rituals store is a first for French airports.

Influenced by the shareholder, as part of the plans, the airport felt it was important to design a single security control area which could process 100% of the airport's passengers, thereby increasing footfall for retailers in close proximity.

## **CULTURE CONTRASTS**

This phase nicely teed up the commercial transformation, which is very much inspired by the region. "We have tried to offer a strong sense of place with the new commercial offer," said Ducos-Pomes.

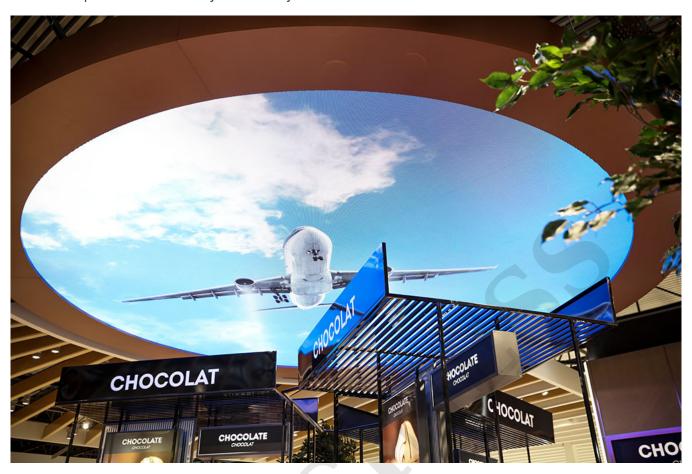
"We want to celebrate the contrasts of Toulouse culture between the 'Art of Living' and 'Life Tech."



Spanish jewellery and fashion brand, Tous was approached by Toulouse Airport to participate in its speciality tender at the TFWA Cannes exhibition in 2017.

Although Toulouse – the fourth biggest city in France – is known for its distinctive blush-pink brick buildings, rural landscape, agricultural prowess and food & wine, it also refers to itself as a 'high-tech hub', home to the Airbus factory, which continues to attract students and highly-skilled workers from overseas.

The airport has been inspired by both of these elements in its brand selection and food & beverage outlets.



An impressive led screen plays various movies including those promoting the Toulouse region and its various seasonal events.

"So we've got international brands like Parfois, but we are staying close to our roots at the same time with concepts like La Tête dans les Etoiles *(for all ages)* created for us by Lagardère Travel Retail, added Ducos-Pomes.



The transformed commercial area at Toulouse Airport.

# INVESTMENT IN DIGITAL SIGNAGE

Bruno Balerdi, NonAeronautical Revenue
Development Director at ATB
adds: "The commercial area
will showcase the contrasts of
Toulouse through numerous
digital screens in the duty free
area which create a new
atmosphere... on the screens
we will play animations/movies
about Toulouse to showcase its
beauty and regional events."

Both Ducos-Pomes and Balerdi said they are pleased with the current mix of core duty free operators and standalone boutiques. "It's very important for us to have this balance. You know with Rituals, we are in a direct contract, also with Tous and Parfois."

Ducos-Pomes was keen to point out that it was at the TFWA Cannes show when the airport first met with brands Rituals and Parfois and invited them to participate in a specialty store tender.

Balerdi insists that the new retail layout and restaurants encourage passengers to slow down on their journey and soak up this new atmosphere; persuading people to stop and 'discover' as well as interact with each other.

#### **BUSINESS TO LEISURE TRAFFIC TRANSITION**

"The passengers are telling us that we have created a new generation of airport; it's a totally new atmosphere which delivers a balance between local and international brands, but importantly is closely linked with Toulouse as a destination."

Balerdi explained that a catalyst for the extension and retail transformation was the increase in traffic; both international and domestic, experience in recent years.

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"It was necessary to transform the commercial offer as our traffic increases," he said. "We registered 9.6m passengers in 2018 and expect to reach 12m by 2023.

The airport is hoping to attract more international passengers through increasing the number of flights and routes. The balance is around 50:50 (international vs domestic) at the moment.

"Toulouse 10 years ago was clearly a business airport, but now we have a lot more leisure passengers from overseas. So, in 2019 and more so in 2020 we will be increasing our flights to Europe non-Schengen."

### **BREXIT READY?**

Despite the construction of the new extension, Balerdi said that traffic was not disrupted and continued to grow in line with forecasts last year.

However, predictions for this year are tougher to make as the airport must prepare itself for numerous Brexit scenarios.



La Tete dans les Étoiles store offers games and other products inspired by aeronautics and space; a concept created for Toulouse Airport by Lagardère Travel Retail.

Balerdi insisted that the airport is prepared for a hard Brexit, but admits the airport is also a little anxious. "The UK passengers make up 9% of our total traffic so clearly for us we will see a big impact.

We are little afraid of what's going to happen. If we consider only non-aeronautical revenue, we know that these passengers like to shop, so if the number of flights or passengers to and from UK decrease, this could impact the business."

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Local rugby team brand.



The JGo eatery also sells local delicacies (retail).