Duty Free And Travel Retail Market Size & Share Analysis - Growth Trends and Forecast (2026 - 2031)

> **Industry:** Travel Retail & Duty Free (Retail)
> **Source:** https://www.mordorintelligence.com/industry-reports/duty-free-and-travel-retail-market
> **Scraped Date:** 2026-09-17

Executive Market Summary

Market Metric	Details
Base Market Size	USD 102.51 billion
Projected Forecast (2031)	USD 102.51 billion
Growth Rate (CAGR)	8.78 %
Largest Market Region	N/A
Fastest-Growing Region	N/A

Market Visualizations & Infographics

```
![Major players in Duty Free And Travel Retail industry](images/chart_2.png)

![Duty Free And Travel Retail Market (2026 - 2031)](images/chart_3.png)

![Duty Free And Travel Retail Market: Market Share by Product Type](images/chart_4.png)

![Duty Free And Travel Retail Market: Market Share by Price Range](images/chart_5.png)

![Duty Free And Travel Retail Market CAGR (%), Growth Rate by Region](images/chart_6.png)

![Duty Free And Travel Retail Market](images/chart_7.png)

![footer background image](images/chart_10.png)

![Mordor Intelligence on Facebook](images/chart_12.svg)

![Mordor Intelligence on Pinterest](images/chart_14.svg)

![Mordor Intelligence on Instagram](images/chart_15.svg)

![ESOMAR](images/chart_17.png)

![GPTW](images/chart_19.png)
```

Comprehensive Research Analysis

Overview Points List Flex 49 Share Feature End

Market Overview

Study Period | 2021 - 2031 |
Market Size (2026) | USD 102.51 Billion |
Market Size (2031) | USD 156.15 Billion |
Growth Rate (2026 - 2031) | 8.78 % |
Fastest Growing Market | Middle East and Africa |
Largest Market | Asia Pacific |
Market Concentration | Medium |

Major Players*Disclaimer: Major Players sorted in no particular order

|

Market Overview

Duty Free And Travel Retail Market Analysis by Mordor IntelligenceThe Duty Free And Travel Retail Market size is projected to be USD 94.24 billion in 2025, USD 102.51 billion in 2026, and reach USD 156.15 billion by 2031, growing at a CAGR of 8.78% from 2026 to 2031.

The expansion outpaces the projected 2.9% global GDP growth for 2026, indicating resilient structural momentum for non-aeronautical retail across aviation, cruise, and cross-border nodes. International tourist arrivals topped 1.1 billion in the first nine months of 2025, up 5% year-over-year and 3% above pre-pandemic levels, which sustains high passenger volumes and improves conversion opportunities for core categories such as beauty and liquor. Airport operators are deepening the pivot toward non-aeronautical revenues, with evidence that Middle East hubs generate more than USD 16 in non-aeronautical income per passenger, well above the global average, underpinned by premium retail investments and strong transfer traffic[1]Source: Xinhua, “Update: China turns Hainan Island into special customs supervision zone,” Xinhua, news.cn. Regulatory and commercial models are evolving, as dual-till and hybrid-till regimes spread and risk-sharing contracts sharpen alignment between operators and concessionaires for sustainable growth in the duty-free and travel retail market. Policy-led retail zones are a further tailwind, highlighted by the launch of island-wide special customs operations in Hainan in December 2025 that expanded zero-tariff coverage to most product lines and reinforced the island’s role as an offshore consumption hub.

Key Report Takeaways

* By product type, perfumes and cosmetics led with a 35.74% share in the duty-free and travel retail market in 2025; fashion and accessories are projected to expand at a 12.87% CAGR to 2031.
* By distribution channel, airport shops held 61.73% share of the duty-free and travel retail market in 2025, while e-commerce and omnichannel pre-order are forecast to grow at a 12.74% CAGR through 2031.
* By price range, premium and luxury captured 49.36% of the duty-free and travel retail market in 2025 and are expected to grow at a 7.76% CAGR to 2031.
* By consumer profile, leisure travellers accounted for 58.87% of the duty-free and travel retail market in 2025, while millennial and Gen Z leisure cohorts are projected to advance at a 10.87% CAGR through 2031.
* By geography, Asia-Pacific led with 56.84% of the duty-free and travel retail market in 2025, and the Middle East is projected to record a 9.85% CAGR through 2031.

Key Market Trends

Global Duty Free And Travel Retail Market Trends and InsightsDrivers Impact Analysis*

Driver	(~) % Impact on CAGR Forecast	Geographic Relevance	Impact Timeline
Expansion of offshore duty-free zones and free-trade islands is boosting shopper footfall	+1.8%	Global, with early gains in Hainan, Singapore, and pilot concepts discussed in parts of the GCC	Medium term (2-4 years)
Airport privatization and non-aeronautical revenue focus on expanding retail floor plates	+1.5%	North America, Europe, India, the Middle East	Medium term (2-4 years)
Recovery of long-haul leisure travel is reviving the fragrance and beauty catego			

ry spend | +1.4% | Global, strongest in Asia-Pacific, Europe, the Middle East | Short term (≤ 2 years) |
Rise of omnichannel pre-order and click-and-collect elevating conversion rates | +1.2% | Global core, spreading in Asia-Pacific and South America, early adoption in North America and Europe | Medium term (2-4 years) |
Premiumization trend in duty-free liquor targeting millennial traveller segments | +1.0% | Middle East, Asia-Pacific, North America | Medium term (2-4 years) |
Introduction of arrival-hall duty-free formats, unlocking incremental purchases | +0.9% | Middle East, Asia Pacific, and selective European adoption | Medium term (2-4 years) |
Source: Mordor Intelligence |

Competitive Landscape

Competitive Landscape

The duty free and travel retail market remains moderately consolidated, featuring global leaders and specialized regional players that compete for multi-year concessions across airports, cruise, and cross-border locations. Avolta’s 2024 performance included 6.3% organic growth in core turnover, underpinned by a larger program of digital upgrades, loyalty expansion, and self-checkout deployments that improve conversion and labour productivity[4]Source: Avolta, “Financial Report 2024,” Avolta, avoltaworld.com. The company’s strategy emphasizes targeted bolt-on wins, disciplined capital allocation, and a data platform designed to sharpen assortment and pricing decisions at store level. Lagardère Travel Retail secured a 10-year contract to operate duty free at London Luton Airport starting in 2026, with a significant expansion in commercial space that will refresh category adjacencies and brand representation. Gebr. Heinemann reported a strong rebound in 2024 turnover and outlined store network expansions that build on partnerships across Europe, the Middle East, and Africa.

Operators are differentiating through loyalty depth, store automation, and supply chain agility that preserve availability under variable schedules. The largest players are accelerating omnichannel flows that bring pre-order upstream, offering product reservation, targeted promotions, and fast pickup with an aim to lift basket size and repeat rates. Infrastructure-led partners seek to optimize non-aeronautical revenue with design, signage, and dwell management that directs passengers into high-conversion zones. Strengthening collaboration between airports and concessionaires is visible in contracts that incorporate hybrid revenue-sharing mechanisms aligned to traffic scenarios in the duty free and travel retail market. These approaches spread risk and support investment in store fit-outs and digital integrations.

Strategic moves in 2025 favoured bids that combine duty free, specialty retail, and foodservice expertise to deliver integrated experiences aligned to airport brand and passenger mix. Companies highlighted targeted store redesigns, improved category adjacency, and more flexible merchandising to adapt to evolving regulations and traveller preferences. Data and analytics remain core to daily operations, from forecasting and inventory optimization to price elasticities and targeted offers by route and traveller cohort. As operators refine portfolio balance across airports, seaports, and border formats, multichannel capabilities will continue to distinguish leaders in the duty free and travel retail market. Competitive intensity should remain high given the weight of global tenders and the importance of long-term contracts.

Duty Free And Travel Retail Industry Leaders* Avolta AG (Dufry)

* China Duty Free Group Co. Ltd.

* Lagardère Travel Retail

* DFS Group (LVMH)

* Lotte Duty Free

* *Disclaimer: Major Players sorted in no particular order

Scope Methodology P Space

This market covers retail sales made to travelers in controlled travel environments where goods are sold as duty-free or travel retail, and the purchase is linked to a trip and proof of travel for export or transit.

Scope exclusions: Domestic duty-paid travel convenience retail and inflight catering services are excluded from the market totals.

Segmentation Container

* By Product Type* Perfumes & Cosmetics
* Wines & Spirits
* Fashion & Accessories
* Tobacco Products
* Confectionery & Fine Foods
* Electronics & Gadgets

* By Distribution Channel* Airport Shops
* On-board Aircraft
* Seaport & Cruise Line Stores
* Border & Downtown Duty-Free
* Railway Stations
* E-commerce / Omnichannel Pre-order

* By Price Range* Premium & Luxury
* Mid-tier
* Economy

* By Consumer Profile* Leisure Travelers
* Business Travelers
* VFR & Expat Shoppers

* By Geography* North America* United States
* Canada
* Mexico

* South America* Brazil
* Peru
* Chile
* Argentina
* Rest of South America

* Europe* United Kingdom
* Germany
* France
* Spain
* Italy
* BENELUX (Belgium, Netherlands, Luxembourg)
* NORDICS (Denmark, Finland, Iceland, Norway, Sweden)
* Rest of Europe

* Asia-Pacific* India
* China
* Japan
* Australia

* South Korea
* South-East Asia (Singapore, Malaysia, Thailand, Indonesia, Vietnam, Philippines)
* Rest of Asia-Pacific

* Middle East and Africa* United Arab Emirates
* Saudi Arabia
* South Africa
* Nigeria
* Rest of Middle East and Africa

Frequently Asked Questions

What is the duty free and travel retail market size and projected growth to 2031?

The duty free and travel retail market size is USD 102.51 billion in 2026 and is forecast to reach USD 156.15 billion by 2031 at an 8.78% CAGR, supported by resilient international travel and a higher non-aeronautical revenue focus.

Which product categories are leading and growing fastest in duty free and travel retail?

Perfumes and cosmetics led with 35.74% share in 2025, while fashion and accessories are the fastest-growing category with a 12.87% CAGR through 2031, aided by premium and curated assortments.

Which channels are gaining share in duty free and travel retail?

Airport shops remain the largest channel with 61.73% share in 2025, while e-commerce and omnichannel pre-order are the fastest-growing channels with a 12.74% CAGR as digital journeys expand.

Which regions drive the most value in duty free and travel retail?

Asia-Pacific accounted for 56.84% in 2025 due to large traffic corridors and policy-led retail zones, while the Middle East is the fastest-growing region with a 9.85% CAGR on capacity expansions and premium retail focus.

Which consumer profiles contribute most to duty free and travel retail demand?

Leisure travellers accounted for 58.87% in 2025, and millennial and Gen Z leisure cohorts are advancing at a 10.87% CAGR as omnichannel engagement and premium experiences lift conversion.

What are the key risks to duty free and travel retail growth through 2031?

The main risks are regulatory tightening in tobacco and beauty, currency volatility affecting perceived price advantage, and dwell-time pressure from security and immigration queues, which operators are addressing through design, digital, and operational initiatives.