South America 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/south-america-travel-retail-market
> **Scraped Date:** 2026-09-17

Executive Market Summary

Market Metric	Details
Base Market Size	USD 1.34 billion
Projected Forecast (2031)	USD 1.34 billion
Growth Rate (CAGR)	8.50 %
Largest Market Region	N/A
Fastest-Growing Region	N/A

Market Visualizations & Infographics

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![Major players in South America Travel Retail industry](images/chart_2.png)

![South America Travel Retail Market (2026 - 2031)](images/chart_3.png)

![South America Travel Retail Market: Market Share by Product Type](images/chart_4.png)

![South America Travel Retail Market](images/chart_5.png)

![Icon](images/chart_6.png)

![footer background image](images/chart_8.png)

![Mordor Intelligence on Facebook](images/chart_10.svg)

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

![Mordor Intelligence on Instagram](images/chart_13.svg)

![ESOMAR](images/chart_15.png)

![GPTW](images/chart_17.png)
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Comprehensive Research Analysis

Overview Points List Flex 49 Share Feature End

Market Overview

Study Period | 2021 - 2031 |
Forecast Data Period | 2026 - 2031 |
Base Year Market Size (2025) | USD 1.23 Billion |
Market Size (2026) | USD 1.34 Billion |
Market Size (2031) | USD 2.01 Billion |
Growth Rate (2026 - 2031) | 8.50 % |
Market Concentration | Medium |
Major Players*Disclaimer: Major Players sorted in no particular order

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Market Overview

South America Travel Retail Market Analysis by Mordor IntelligenceThe South America travel retail market size is expected to grow from USD 1.23 billion in 2025 to USD 1.34 billion in 2026 and is forecast to reach USD 2.01 billion by 2031 at 8.50% CAGR over 2026-2031, signalling a recovery path supported by returning passenger volumes and structural upgrades in airport commercial zones. Operators are concentrating on premium beauty, curated spirits, and loyalty-led omnichannel journeys to raise conversion without heavy discounting, as digital tools like Reserve & Collect deliver higher average baskets and reduce stock-out risk. Airport authorities are embedding retail and dining deeper into terminal redesigns to improve dwell-time monetization and revenue resilience during demand swings, aligning concession formats with global best practices for risk sharing. The South America travel retail market is also drawing strength from targeted investments in Colombia, Chile, and Peru that expand retail footprints in tandem with airside capacity, which creates a synchronized runway for traffic and spending growth. Volatility in foreign exchange and selective category tightening, such as tobacco restrictions, remain headwinds, which are prompting a sharper focus on loyalty currencies, pricing discipline, and category diversification to protect margins in the South America travel retail market.

Key Report Takeaways

* By product type, Perfumes & Cosmetics led with 46% of the South America travel retail market size in 2025, while fashion & accessories is projected to record the fastest 2026-2031 CAGR at 9.05%.
* By distribution channel, airports accounted for 51% of the South America travel retail market size in 2025, reflecting the dominance of walkthrough formats and curated boutiques, while Online Pre-order & Click-and-Collect is projected to record the fastest 2026-2031 CAGR at 14.70%.
* By geography, Brazil held 35% of the South America travel retail market share in 2025, while Argentina recorded the fastest expected 2026–2031 CAGR at 9.98%.

Key Market Trends

South America Travel Retail Market Trends and InsightsDrivers Impact Analysis*

Driver	(~) % Impact on CAGR Forecast	Geographic Relevance	Impact Timeline
Air passenger recovery and connectivity expansion	+2.1%	Global, strongest in Brazil, Argentina, and Colombia	Short term (≤ 2 years)
Airport infrastructure expansion (new terminals, concessions)	+1.8%	Brazil, Mexico, Colombia, Chile	Medium term (2-4 years)
Omnichannel adoption (reserve & collect, AR try-on, airline pre-order)	+0.9%	Mexico, Brazil, and Panama hubs with digital infrastructure	Medium term (2-4 years)
Perfumes & cosmetics demand strength in South America travel retail	+1.6%	Brazil, Argentina, Mexico; airport-dominant	Short term (≤ 2 years)
Brazil's land-border free shop regime maturation	+1.3%	Brazil–Uruguay, Brazil–Argentina borders	Medium term (2-4 years)
Cruise deployment growth benefiting South America ports & onboard retail	+0.8%	Brazil, Colombia, Caribbean	Long term (≥ 4 years)
Source: Mordor Intelligence			

Competitive Landscape

Competitive Landscape

Competition is balanced between global multi-country portfolios and agile regional specialists, with a moderate concentration pattern that leaves room for share gains through airport tenders, border expansions, and cruise partnerships in the South America travel retail market. A leading global operator secured a 12-year duty-free concession in Santiago, effective 2026, and extended a multi-airport agreement in Mexico, which consolidates its presence across key gateways and builds a long runway for premium brand deployment. Cruise-specialized retailers and suppliers expanded aggressively with new ship launches and merchandise concepts, which created a transfer path for best practices from ships to airports in the South America travel retail market. Operators are investing in loyalty ecosystems, omnichannel tools, and analytics to refine promotions and stock allocation, which has become a core capability for sustaining margin and conversion. As tenders emphasize service standards and traffic-linked risk-sharing, better-capitalized portfolios will hold an advantage in bid rounds for the South America travel retail market.

Airport authorities are incorporating global concession guidance into contract structures to improve resilience during shocks and to align investment horizons with traffic cycles, which supports multi-year planning on both sides. Recent contract amendments in the region demonstrate movement toward per-passenger pricing and scheduled economic-equilibrium reviews, which help avoid cash burn for retailers and protect core airport services. Flagship openings and upgrades in Lima and Santiago set the blueprint for integrated retail and dining zones that increase dwell-time capture and enable sequential category targeting in the South America travel retail market. Brands are demanding standardized execution and data access in return for exclusive assortments and event marketing, which pushes operators to accelerate digital investments. The slope of share change will depend on the timing and scale of airport tenders and on operators’ ability to balance capital discipline with experiential retail in the South America travel retail market.

Category regulation, foreign exchange, and bilateral traffic constraints continue to shape portfolio choices, which reinforces the value of diversified exposure to airports, borders, and cruise networks in the South America travel retail market. Tobacco restrictions are pushing more space and marketing into beauty, spirits, and destination goods, and onboard retail learnings are enhancing airport merchandise curation and storytelling. FX and income dynamics vary across major markets, so loyalty-linked promotions and price-assurance tactics are being used to protect conversion without eroding margin in the South America travel retail market. The increased use of per-passenger clauses and shock triggers in contracts provides a more stable platform for sustained capex in stores, fixtures, and digital tools. Over the forecast period, competitive advantage will accrue to portfolios that can translate traffic growth into higher revenue per passenger through precise curation and seamless digital journeys in the South America travel retail market.

South America Travel Retail Industry Leaders* Avolta AG (Dufry)

* Duty Free Americas

* Motta Internacional (Attenza Duty Free)

* Top Brands International (Luryx; Neutral by Luryx)

* 3Sixty Duty Free

* *Disclaimer: Major Players sorted in no particular order

Component Component 3 Scope Of The Report Bottom

South America Travel Retail Market Report ScopeTravel retail refers to the sale of goods, often duty-free, to travelers in secure transit areas such as airports, cruise ships, border stores, and train stations. It primarily includes luxury items, electronics, alcohol, and tobacco, serving as a key revenue stream for airports.

The South America travel retail market report is segmented by product type (perfumes & cosmetics, wines & spirits, tobacco, fashion & accessories, confectionery & fine foods, watches & jewelry, electronics & gadgets, local artisanal & destination goods), distribution channel (airports, airlines inflight retail, border stores land, cruise & seaports, downtown & hotel shops, online pre-order & click-and-collect), and geography (Mexico, Brazil, Argentina, Chile, Colombia, Peru, Rest of South America). The market forecasts are provided in terms of value (USD).

By Product TypePerfumes & Cosmetics |
Wines & Spirits |
Tobacco |
Fashion & Accessories |
Confectionery & Fine Foods |
Watches & Jewelry |
Electronics & Gadgets |
Local Artisanal & Destination Goods |

Segmentation Accordion Item

By GeographyMexico |
Brazil |
Argentina |
Chile |
Colombia |
Peru |
Rest of South America |

Frequently Asked Questions

What is the current size and growth outlook for the South America travel retail market?

The South America travel retail market size was USD 1.23 billion in 2025 and is projected to reach USD 2.01 billion by 2031 at an 8.5% CAGR.

Which product category leads sales across South America travel retail?

Perfumes & Cosmetics led 2025 revenue with a 46% share, driven by premium brand activations and travel-exclusive sets.

Which channels are most important for South America travel retail growth?

Airports remain the primary channel at 51% of 2025 sales, while Reserve & Collect and loyalty integration increase average baskets from pre-trip to in-terminal.

Which countries are most influential in South America travel retail?

Brazil held 35% of sales in 2025, while Argentina is projected to be the fastest growing through 2031 with an expected 9.98% CAGR.

What risks could slow South America's travel retail performance?

Key risks include FX volatility that compresses value perception, tobacco regulation that restricts assortment, and capacity or bilateral limits that can suppress throughput in major hubs.

Which infrastructure projects will shape the next wave of South America travel retail?

Santiago's Terminal 2 program and concession activation from 2026, Bogotá's capacity and retail expansion, and Lima's flagship rollout will expand commercial space and improve dwell-time capture.