



Kian Gould, Founder & CEO, AOE: "The key to creating new revenue sources is providing an omnichannel commerce experience that satisfies customers' expectations regarding speed and convenience, while creating an optimal customer journey."

Auckland Airport has launched a downtown tax-free shopping logistics solution, based on AOE's OM3 Platform. The solution provides the airport's more than 20 million annual passengers with the world's first integrated omnichannel solution enabling end-to-end off- and on-airport retail. Kian Gould, Founder & CEO, AOE, explained more to Ross Falconer.

60 seconds with... Kian Gould, Founder & CEO, AOE

Auckland Airport has been providing tax-free downtown shopping for over a decade. However, the process was highly manual, and there was a lack of track-ability and convenience.

"Since digitalising the process, based on our OM3 solution, the airport has managed to grow the volume significantly and is now ready for real scale," says Kian Gould, Founder & CEO, AOE. "To be precise, we are not digitalising the tax refund process; we are making it obsolete. We actually enable true tax-free downtown shopping without the need to go through a complicated and highly costly tax refund process from a tax refund operator."

For travellers, the process significantly simplifies shopping tax-free downtown. The approach so far implemented at Auckland Airport, with several others in the planning stage, completely replaces the tax refund process that has been in place around the world for decades. Shoppers only pay the tax-free price to start with, which means they no longer have to stand in tax refund lines.

"On average, this saves each customer at least 18 minutes," says Gould. "Customers also save additional money (up to 50%), as they no longer have to pay commission or fees for the tax refund process. Finally, customers do not have to carry their goods with them to the airport. They simply pick up their purchases before boarding their flight. By offering true tax-free shopping, downtown retailers can strongly increase their customer base. Due to the

simplified process, customers are far more likely to purchase high-value items, especially when pressed for time."

The stakeholder that arguably benefits the most from this digital process is the airport. Indeed, Gould explains that there are three main benefits for airports:

- "By opening up its retail channels to downtown stores, the airport expands its retail footprint without having to enlarge its on-airport retail space and can also offer a much bigger brand portfolio to passengers."
- "The airport increases non-aviation revenues through a small percentage commission it receives from the retailers for providing the service."
- "The airport expands its customer base and improves customer satisfaction and loyalty. At the same time, it collects valuable insights into its passengers' shopping behaviour."

Customers today demand speed, convenience and instant availability of offerings. "They also want to be flexible in choosing which channel to use – and when to use it," Gould adds. "In my opinion, therefore, an omnichannel experience is no longer an option. It is a necessity for creating sustainable, long-term revenue streams."

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