



Auckland Airport: Tax-free downtown shopping, on-airport fulfillment

Auckland International Airport is the second major airport to choose AOE's award-winning OM³ Suite, after the new platform's successful initial deployment at Frankfurt Airport. As part of the solution for Auckland International Airport, the Logistics Portal creates a true omnichannel connected customer experience for more than 19 million Passengers, seamlessly interconnecting on- and off-airport shopping and services. It is a major example as to how airports and travel retail are digitalizing their business models to create new and sustainable revenue streams. With the Logistics Portal, Auckland Airport is taking the latest developments in the travel retail industry into account and is rethinking the way it does business to meet these challenges.



Tax-Free Downtown Shopping in Auckland City

Customers can purchase tax-free a wide variety of products from over 200 retailers in Auckland downtown without complicated tax-refund forms.



Automated Single-Basket On-Airport Fulfillment

Purchased products from various retailers are automatically delivered in a single shopping basket to the airport for the passenger's departure.

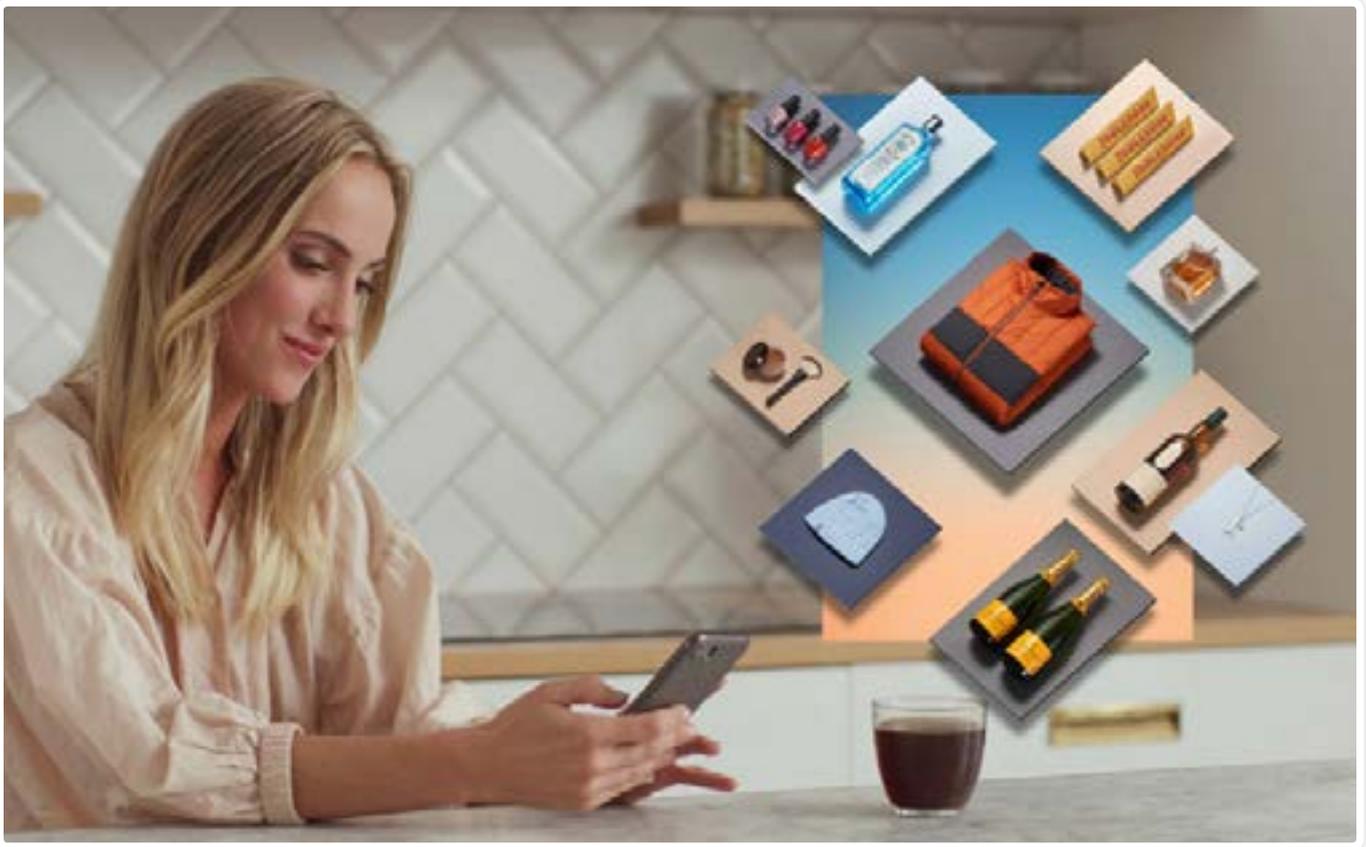


Off-Airport product range increases revenues

Additional product offering through 200+ downtown retailers along with price advantages increase sales and revenues of retailers and the airport.

The Challenge

Airports, airlines and travel retailers worldwide are facing the challenge of declining spend-per-passenger impacting their non-aviation revenue. To face this challenge, Auckland International Airport chose the innovative approach of providing customers with a true omnichannel experience by combining off-airport retail, E-Commerce and on-airport fulfillment into one convenient solution for retailers, customers and the airport alike. To achieve this, the Logistics Portal needed to be integrated with the numerous existing retailer systems, sales channels and Auckland Airport's Collection Points.



The Solution

The Logistics Portal at Auckland Airport is a comprehensive solution for both off- and on-airport fulfillment. Typically, similar solutions provide on-airport fulfillment only. However, the Logistics Portal, which is perfectly integrated into AOE's OM³ commerce platform, offers retailers the best of both on- and offline worlds. Retailers that are not located at the airport can sell their products off-airport and have them tracked, monitored, delivered and collected at on-airport collection points. Customers can purchase items through any channel from any retailer and conveniently pick up all goods from just one Collection Point at Auckland International Airport.

The new Logistics Portal meets three main criteria:

1. Convenient duty- and tax-free shopping, both off-airport and online
2. Highly efficient and convenient, both for retailers and for customers
3. Easy to use, allowing for a rapid onboarding of additional retailers and sales channels

Downtown shopping, on-airport fulfillment

The solution provides passengers with the unique service of shopping at over 60 participating retailers located in downtown Auckland, while being able to save 15 percent New Zealand Goods and Services Tax (GST) plus additional duty on selected products at the same time. Purchased goods are delivered to on-airport collection points. To benefit from the significant tax- and duty-free savings, passengers must be traveling internationally; the goods are always handed out airside.

Logistics Portal as part of AOE's OM³ Suite

The Logistics Portal at Auckland Airport is part of AOE's OM³ Suite, a powerful online marketplace that connects retailers and customers across all channels. With the OM³ Logistics Portal, Auckland International Airport combines on- and off-airport shopping (both digitally and in the store) with on-airport fulfillment, making the airport digital-ready and creating sustainable non-aviation revenue streams.



Source: AOE

Here's how shopping on the Logistics Portal works



End-to-end Omnichannel Solution improves Customer Satisfaction and improves Revenue

To date, the airport and retailers handled the entire process manually, making it error-prone and inefficient, while reducing customer satisfaction. With the new Logistics Portal, airport service personnel can handle more parcels along the way in a shorter timespan with virtually no errors. Thanks to the OM³ Omnichannel solution, customers benefit from quick, hassle-free purchasing and pick-up while also saving money. Retailers and Auckland Airport increase their revenue streams.

Business Benefits



For the airport

- ✓ Personalized promotions based on passenger data
- ✓ Additional service for passengers
- ✓ Integrated off-airport retail into its business, generating additional revenue
- ✓ On-airport fulfillment at collection points, with integrated, flexible storage as well as more transparency and traceability of logistics
- ✓ Improved planning through integrated dashboards and reports as well as data warehouse export functionality



For the retailer

- ✓ Selling goods duty- and tax-free without being located at the airport
- ✓ Fees for customs exchange service companies no longer apply
- ✓ New customer base, including customer data that can be used for targeted marketing and promotion campaigns
- ✓ Increased number of customers and services increase revenue
- ✓ Increased customer loyalty by offering a unique service across multiple channels



For the customer

- ✓ Unique, omnichannel purchasing experience
- ✓ Saves money on New Zealand Goods and Services Tax (GST) as well as duty fees
- ✓ Convenient shopping: Purchases are picked up before the outbound flight, or upon arrival, and don't need to be carried around (especially interesting for premium items)
- ✓ Saves time and effort on the customs process – everything is taken care of during purchasing



We are excited to partner with AOE and that Auckland Airport's introduction of the technology will be a first for any airport in Australasia. It will ensure that we deliver one of the most advanced online airport retail experiences in the world and that we can significantly expand the range and type of products and services we offer to our customers.

*Richard Barker
General Manager Retail and Commercial
Auckland Airport*

The Result

The Logistics Portal at Auckland International Airport is just one of many use cases for AOE's OM³ Suite. By providing a powerful, state-of-the-art platform, Auckland International Airport is increasing its non-aviation revenue streams and making its business model digital-ready. Auckland Airport's customers benefit from a service that makes shopping quick, convenient and enjoyable, while creating significant savings for them at the same time. Customer reaction, first numbers and industry acceptance are all proof that the Logistics Portal will contribute significantly to the economic success of the airport in the future, while creating happy, loyal customers.



AOE and its global team of over 250 people in five countries is a leading provider for Digital Transformation and Omnichannel E-Commerce implementations based on Enterprise Open Source technologies. It has established a name as a leading provider for airport E-Commerce solutions. AOE is responsible for the world's leading Omnichannel Travel E-Commerce platform at Frankfurt Airport.

With its headquarters in Frankfurt and offices in Miami, San Francisco, Zurich, Dubai and Hong Kong, AOE has handled hundreds of implementations for major global corporations, such as Frankfurt Airport, Lufthansa, Cisco Systems, Deutsche Telekom, Bosch, Sony and Commerzbank.