



HYBRID STORES

Another
buzzword?

Or travel retail's next growth driver?

Why hybrid matters now?

From performance and concession models to typical formats and best practices, this article explores what hybrid formats mean for the future of global travel retail.

For years, airport commercial journeys have been structured around clearly defined categories: core duty-free stores, retail boutiques, food and beverage outlets, lounges and other passenger services. Today, those boundaries are becoming more fluid, as airports, operators and brands look for new ways to create more relevant, engaging and commercially effective passenger experiences.

To address this topic, we engaged with leading airport operators, duty-free retailers and international brands, including Lagardere, Nestlé, AREAS, and JEDCO. Their views point to a clear industry reality: hybrid is no longer just a design trend. It is becoming a strategic question about how airports protect dwell time, increase commercial relevance and reach passengers whose behaviours are changing fast.

Concept Anatomy

Hybrid formats bring two or more activities together within a single concept, combining elements such as retail, food and beverage, entertainment, services, lounges, advertising or brand activation into one integrated passenger experience.

In city retail, this logic is already familiar: fashion stores with cafés, beauty brands with spas, bookshops that behave like lifestyle destinations, and flagship stores designed to be experienced rather than simply transactional. In travel retail, the opportunity is sharper because the airport compresses many passenger needs into one time-sensitive environment.

A traveller may want coffee, a gift, a phone charger, a place to sit, a fast meal, a beauty discovery or a premium escape before boarding. Hybrid formats work when they answer several of those needs without making the passenger work harder. This is why the most relevant hybrid formats are not simply mixed-use concepts. They are designed around a passenger who is moving quickly, making decisions under time pressure and looking for several answers in one place.

“Hybrid concepts respond to several traveller needs at once: convenience, experience, local identity, gifting, speed and quality. They also improve conversion and help capture a higher share of spend within a single point of sale.”



Mireia Martí Isern
Marketing & Business Development Director
AREAS

“Hybrid formats are emerging as a natural response to the way passenger expectations are evolving. The traditional boundaries between retail, food & beverage, lounges and even entertainment are becoming increasingly blurred and airports are uniquely positioned to benefit on this convergence.”



James McLean
General Manager, Non-Aeronautical Development
DAA INTERNATIONAL

76%

Percentage of surveyed airports considering hybrid concepts as a defining long-term trend shaping travel retail and dining.

Lagardère Travel Retail's 2024 Travel Experience Voices report.

“I do not believe hybrid concepts will remain anecdotal. More airports and railway stations will increasingly explore these formats.”



Mélanie Guillardou
CEO
LAGARDÈRE TRAVEL RETAIL SAUDI ARABIA



This growing confidence does not remove the need for discipline. It makes the business question more urgent: which hybrid formats can create incremental value without weakening the economics of the existing commercial model? The commercial question is therefore not whether hybrid looks attractive. It is whether it can become a lasting growth driver without diluting the economics of airport retail.

“The current segmentation of airport commercial spaces remains very B2B-driven. We need to move towards a B2B4C approach, placing the passenger experience more clearly at the center.”



Mélanie Guillardou
CEO
LAGARDÈRE TRAVEL RETAIL SAUDI ARABIA

“Hybrid travel retail concepts — blending retail, food & beverage, services, and digital engagement — are transforming airports into seamless lifestyle destinations that engage travellers beyond traditional shopping.”



Frédéric Porchet
General Manager
NESTLÉ INTERNATIONAL TRAVEL RETAIL

01.

THE NATURAL TESTBED

Why airports
are the natural
testbed for
hybrid formats?

Airports are not conventional retail locations. Passengers do not visit them primarily to shop; they pass through them as part of a journey. That makes the commercial environment more complex, but also more interesting.

A passenger may have twenty minutes before boarding and need coffee, a gift and a phone charger. Another may have a long layover and want a place to sit, eat, work or browse. A family may be looking for convenience and comfort. A premium traveller may spend most of their dwell time inside a lounge, away from the main retail floor.

Hybrid stores respond to this diversity by bringing several needs together in one proposition. A traveller may enter for a coffee and leave with a gift. Another may stop for a beauty ritual and discover a product. A lounge guest may encounter a curated activation that would never have reached them on the main duty-free floor.

“A Duty Free and dining hybrid format can create a real passenger experience, encouraging travellers to slow down, explore and engage.”



Mélanie Guillardou
CEO
LAGARDÈRE TRAVEL RETAIL SAUDI ARABIA



**Hungry Club by Avolta
at Barcelona Airport**

Michelin starred
F&B concept within
a duty free store.



That distinction matters. When dining is treated as part of the commercial journey rather than a separate pause, it can support exploration, increase dwell time and create a more natural bridge into retail.

“These integrated formats create immersive, one-stop experiences that can increase dwell time, encourage cross-category spending, and open new opportunities for brands, operators, and landlords.”



Frédéric Porchet
General Manager
NESTLÉ INTERNATIONAL TRAVEL RETAIL

The value of Hybrid formats

For Airports	For Operators	For Brands
Makes commercial areas feel less generic. Aligns spaces closely with the passenger journey.	Creates additional occasions to capture spend: - food - gifting, - self-reward - convenience, - services - discovery.	Offers a richer platform for storytelling . Communicates taste, lifestyle, hospitality, emotion, and cultural relevance instead of just range and price.

“Combining retail with F&B or integrating brand activations within lounges, for example, allows operators to move beyond purely transactional models toward more experiential propositions. In turn, this can drive higher spend per passenger and provide brands alternative promotional platforms.”



James McLean
General Manager, Non-Aeronautical Development
DAA INTERNATIONAL

The Space Constraint Warning

Airport space is expensive, limited and politically sensitive. A hybrid concept must justify every square metre. It cannot simply add a café to a shop or a retail shelf to a lounge and assume the economics will work.

02.

CHOOSE THE ROLE

Functional or aspirational.

Rather than relying on one model, hybrid formats should be assessed by the role they play in the passenger journey: solving a practical need, creating a branded moment, extending dwell time or opening a new commercial occasion. This reinforces the need to match each format to its role in the journey. The strategic mistake is to confuse the two, or to ask one concept to answer too many passenger needs at once.

“We see hybrid concepts becoming a normal and expected format, particularly in high-traffic departure areas and locations close to boarding gates, where passengers are looking for speed, convenience, and quality.”



Mireia Martí Isern
Marketing & Business Development Director
AREAS

The functional hybrid

Core Philosophy:

Built around speed, convenience and problem-solving.

Concrete Example:

A café and travel essentials offer that helps passengers refuel, recharge and restock in one place.



The aspirational hybrid

Core Philosophy:

Built around hospitality, brand immersion and emotional engagement.

Concrete Example:

A luxury boutique where a café turns the store into a destination.



The strongest concepts choose the passenger need they want to answer, then make the retail, F&B, service or hospitality layer support that role with clarity. This clarity is also what makes cross-selling feel natural rather than forced. When the format is easy to understand, the passenger can move from one need to another without disruption: from a drink to a gift, from a quick bite to a retail purchase, or from a moment of pause to a product discovery.

1/3

Proportion of customers combining bar consumption with retail shop purchases in the Sibarium hybrid concept.

“One of the key learnings is that hybrid concepts create additional purchase occasions: travelers may enter for a drink or quick bite, while the retail area naturally encourages impulse purchases and cross-selling. In Sibarium, around one third of customers combine bar consumption with shop purchases.”



Mireia Martí Isern
Marketing & Business Development Director
AREAS



Sibarium by Areas
Barcelona Airport

A Mediterranean-rooted concept for gourmet travelers.





**Bottega dei Saporì by Lagardère
Venice Marco Polo Airport**

A strong example of how fine food retail and dining can work together.



For this reason, successful hybrids should be judged first by clarity. In an airport, passengers need to understand the concept quickly.

1. Clarity of Concept

“Travel essentials and café”, “beauty and gastronomy”, “luxury boutique and hospitality”, “gourmet dining and sense of place”, or “lounge and curated retail discovery” are clear ideas because each one explains both the function and the experience.

2. Relevance

The hybrid layer must make sense for the brand and the passenger. A café inside a luxury boutique can work if hospitality strengthens the brand world. A beauty café can work if taste, scent and ritual support the category. A lounge retail edit can work if it enhances the guest experience rather than competing with it.

3. Economic Honesty

Hybrid should not be used as a buzzword to justify lower productivity. It should be used where the combined format solves a real passenger need and creates incremental value that a traditional store, restaurant or lounge could not deliver alone.

“Across the airports of SAVE Group – Venice, Verona and Treviso – we actively embrace this approach, working closely with our retail, food & beverage partners and airlines to experiment with new formats.”



Ilaria Grandin
Head of Marketing and Non Aviation,
GRUPPO SAVE – SAVE S.P.A.

03.

THE LOUNGE QUESTION

Opportunity and threat at the same time

The hybrid conversation should not be limited to stores. Airport lounges are becoming one of the most important frontiers because they concentrate time, comfort and higher-value passengers. Traditionally, lounges were built around comfort: seating, food and beverage, privacy, showers, workspaces and a calmer environment before departure. However, lounge access has become more democratic through paid access, premium cards, membership programmes and independent lounge networks.

→ THE AX25 INDICATOR

42% of surveyed travellers had accessed a lounge in the previous year, and **62%** would consider paying for premium services to improve their experience in crowded terminals.

→ THE AX26 INDICATOR

52% of surveyed regular travellers use lounges when they travel, representing a massive increase of **+11% year on year**.

The Core Risk

This is an opportunity, but also a threat to the traditional duty-free model. As passengers spend a growing share of their dwell time inside lounges, they are spending more time away from the main retail areas. If duty-free operators and brands do not find a way to enter the lounge journey intelligently, some of the most commercially valuable passengers may become less visible to the retail floor. Lounges are valued precisely because they are not sales floors. Retail integration must therefore feel curated, discreet and relevant. It should behave like a service, a discovery or a privilege

“When retail blends with F&B, lounges, or even light entertainment, the terminal becomes a place to dwell in rather than simply pass through.”



Ilaria Grandin
Head of Marketing and Non Aviation,
GRUPPO SAVE – SAVE S.P.A.



The Pearl Lounge
Bahrain International Airport.

Bahrain Duty Free's luxury store inside The Pearl Lounge.

“The contractual framework for such hybrid concepts is a complex challenge. Traditional concession models are typically structured with a single entity with clearly defined categories and rent mechanisms. Such hybrid formats require a flexible approach that can accommodate multiple revenue streams with different cost profiles, different operators and shared operational responsibilities within a single footprint.”



James McLean
General Manager, Non-Aeronautical Development
DAA INTERNATIONAL

04.

SPACE PRODUCTIVITY & SPACE USE

Hybrid formats must increase space productivity, not just fill space.

The rise of hybrid formats connects to a broader issue: how airports use space. Airport commercial areas are under pressure. They need to generate revenue, manage passenger flow, reduce crowding, support comfort, and create memorable experiences. At the same time, passengers increasingly expect airports to be more than functional infrastructure.

“Hybrid concepts can be particularly relevant in smaller airports, where the passenger journey benefits from greater efficiency and combined services.”



Mélanie Guillardou
CEO
LAGARDÈRE TRAVEL RETAIL SAUDI ARABIA

In these smaller environments, the value of hybridisation may come less from spectacle and more from operational efficiency: one footprint serving several passenger missions without fragmenting the journey.

The Economics of Space.

But the space argument is not one-sided. Duty-free retail can be one of the most productive uses of airport commercial space. Industry benchmarks have shown that duty-free can generate a much larger revenue per square meter than any other activity. This means that replacing, reducing, or complicating duty-free space with lower-yield F&B must be considered carefully.

The real opportunity is not to replace high-performing duty-free square metres with softer experience-led concepts. It is to identify where hybrid formats increase total commercial productivity: by capturing passengers who would not otherwise shop, extending engagement, supporting conversion, improving brand recall or lifting spend across categories.

“We are seeing growing demand from landlords for hybrid concepts, as they offer a more flexible and commercially efficient response to today’s traveler expectations.”



Mireia Martí Isern
Marketing & Business Development Director
AREAS



For landlords, this flexibility is attractive only when it improves total productivity. The strongest cases are therefore those that expand the commercial opportunity rather than simply redistributing spend from one unit to another.

“For airports like ours, these concepts represent a real opportunity to enhance passenger satisfaction and dwell time, while carefully balancing operational complexity and space constraints.”



Ilaria Grandin
Head of Marketing and Non Aviation,
GRUPPO SAVE – SAVE S.P.A.

Main challenges

1. TENDER DESIGN & BARRIER

Tender design has to consider market access. A highly hybrid brief can encourage innovation, but it can also narrow the field if only a small number of operators have the capabilities, licences and partnerships required to respond. This does not mean airports should avoid hybrid briefs. It means that flexibility has to be introduced carefully, with enough openness to encourage new models while protecting competition and economic clarity.

→
EXPERT
VIEW

“Not all operators are able to propose these types of formats, which can affect the competitive balance of tenders. What we are seeing, however, is more flexibility around use clauses, which opens the door to more hybrid thinking.”

Mélanie Guillardou

2. STRUCTURAL PROFITABILITY GAP

F&B may increase dwell time and improve the passenger experience, but duty-free revenue per square metre is often structurally higher than F&B revenue per square metre. That does not mean hybrid formats are unattractive; it means they must be evaluated on total contribution, not only on aesthetic appeal.

3. OPERATIONAL DISCIPLINE FRICTION

Retail, F&B and lounges have different requirements for food safety, replenishment, queue management, cleaning, licensing, storage, service standards, seating and staff training. If these elements are not planned properly, the hybrid concept can create friction rather than convenience.

→
EXPERT
VIEW

« However, their success depends on pragmatic planning: optimising limited terminal space, ensuring sustainable economics, and carefully balancing the mix of partners, services, and commercial objectives. »

Frédéric Porchet

4. MULTI-METRIC MEASUREMENT MATURITY

A hybrid concept should not be judged only by immediate sales. It should also be measured through capture rate, dwell time, cross-category conversion, basket value, brand engagement, customer satisfaction, data capture, contribution per square metre and its impact on the wider terminal ecosystem.

Hybrid stores and hybrid lounges reflect a deeper evolution in travel retail. The airport is no longer only a place where passengers buy before they fly. It is becoming a place where they expect to be hosted, inspired, served, entertained and understood.

CONCLUSION

L'accord
parfait.

FOR AIRPORTS

Hybrid formats can make commercial spaces more distinctive and better aligned with the passenger journey.

FOR OPERATORS

They create opportunities to diversify revenue and capture new spending occasions.

FOR BRANDS

They offer more memorable ways to express identity and build emotional connection.

FOR TRAVELERS

They can make waiting time feel more useful, comfortable and enjoyable.

But the winners will not be the most fashionable concepts. They will be the concepts that reconcile experience with economics: the right offer, in the right place, with the right partners, clear governance, and a realistic view of space productivity.

The future of travel retail will not be defined only by what passengers buy before they fly. It will be defined by how relevant, useful, and memorable the airport experience becomes while they wait.

"Ultimately, hybrid formats represent an important evolution in airport commercial strategy that should create a memorable experience, and with the right commercial framework in place can capture the next wave of growth."



James McLean
General Manager, Non-Aeronautical Development
DAA INTERNATIONAL