Autogrill®

Next Station

Consumer eating and spending patterns at Roma Termini, Madrid Atocha and Paris Gare du Nord: analogies and differences of the various markets

Rome, February 3 2005

Autogrill Group at a glance

Avignon Railway Station

- 3.1 billion Euros
- 4.000 points of sale
- 14 Countries
- Airports, Motorways, Stations, Malls, City centers, Ports, ...
- 690 million customers
- 260 million coffees
- 85 million sandwiches
- 55 million pizzas
- ….

Strong presence in 5 channels

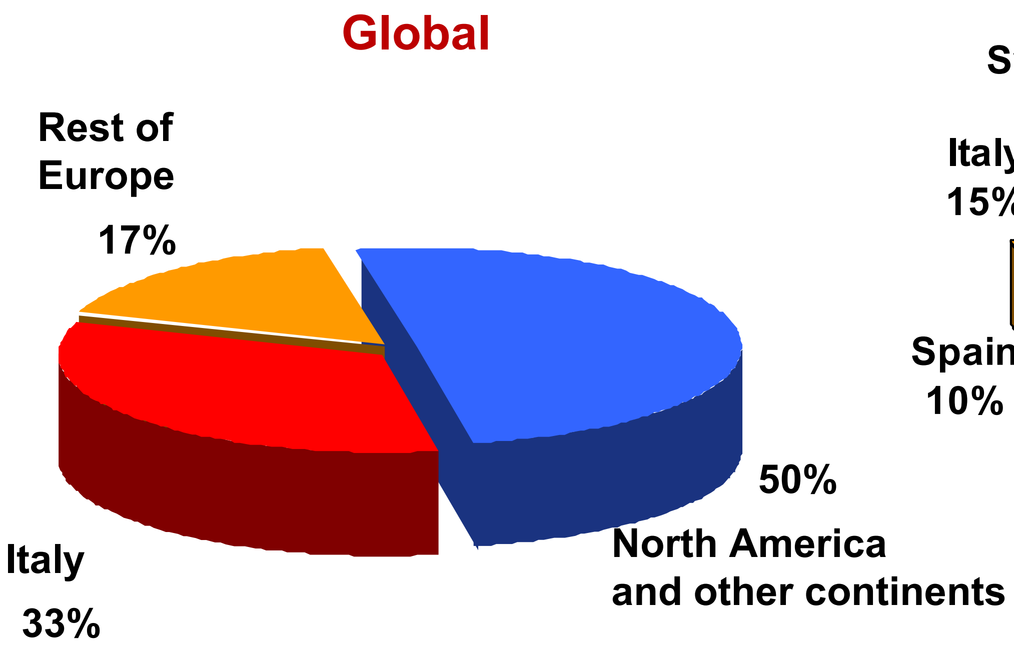
Toll/Non Toll Motorways

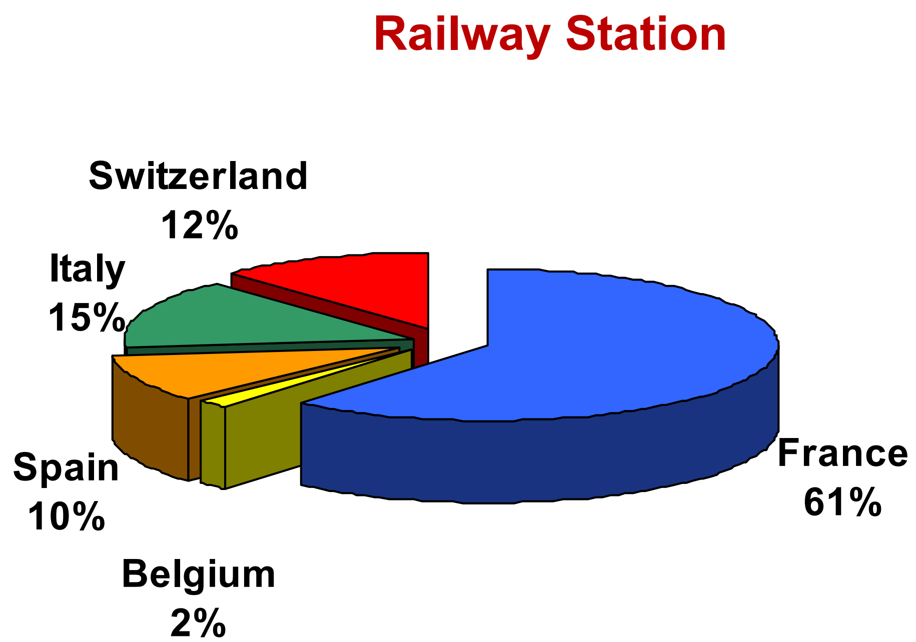
Railway Stations

Airports

Shopping Malls/City Centers

Turnover by country





Leadership in ***food&beverage*** and ***retail*** services for “people on the move”

Approach of the survey

Approach:

1.500 face to face interviews using the P&P method (Paper and Pencil Interviewing) in:

- **Paris Gare du Nord**
- **Madrid Atocha**
- **Roma Termini**

Targeted by:

- **Commuters**
- **Long Distance train travellers**
- **High Speed train travellers**
- **Non travellers**

Objectives of the survey

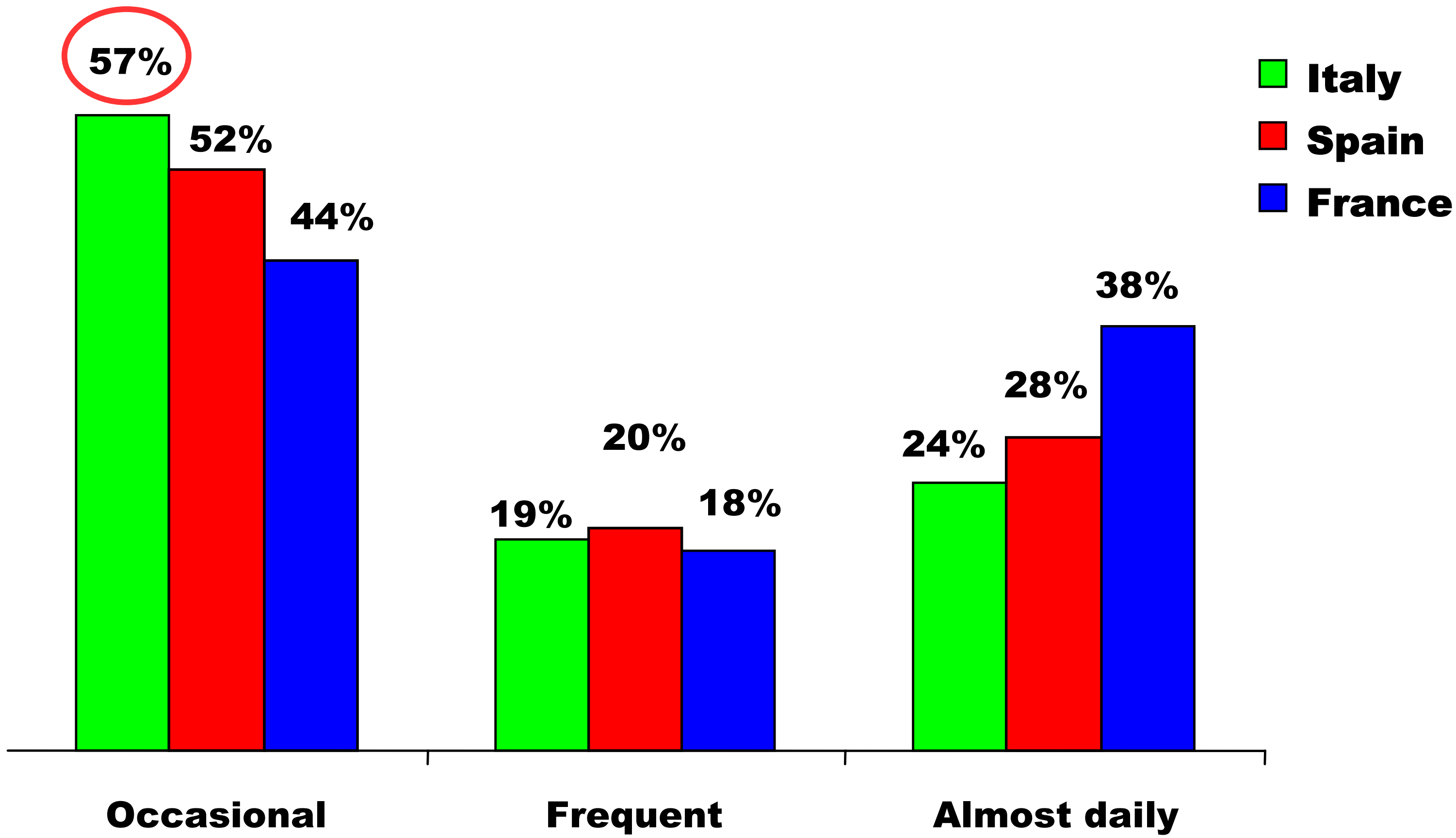
Objectives:

- Railway station customer profile
- The best used Restaurants products & services in Railway Stations
- The differences/analogies with other Channels

Railway station customer profile

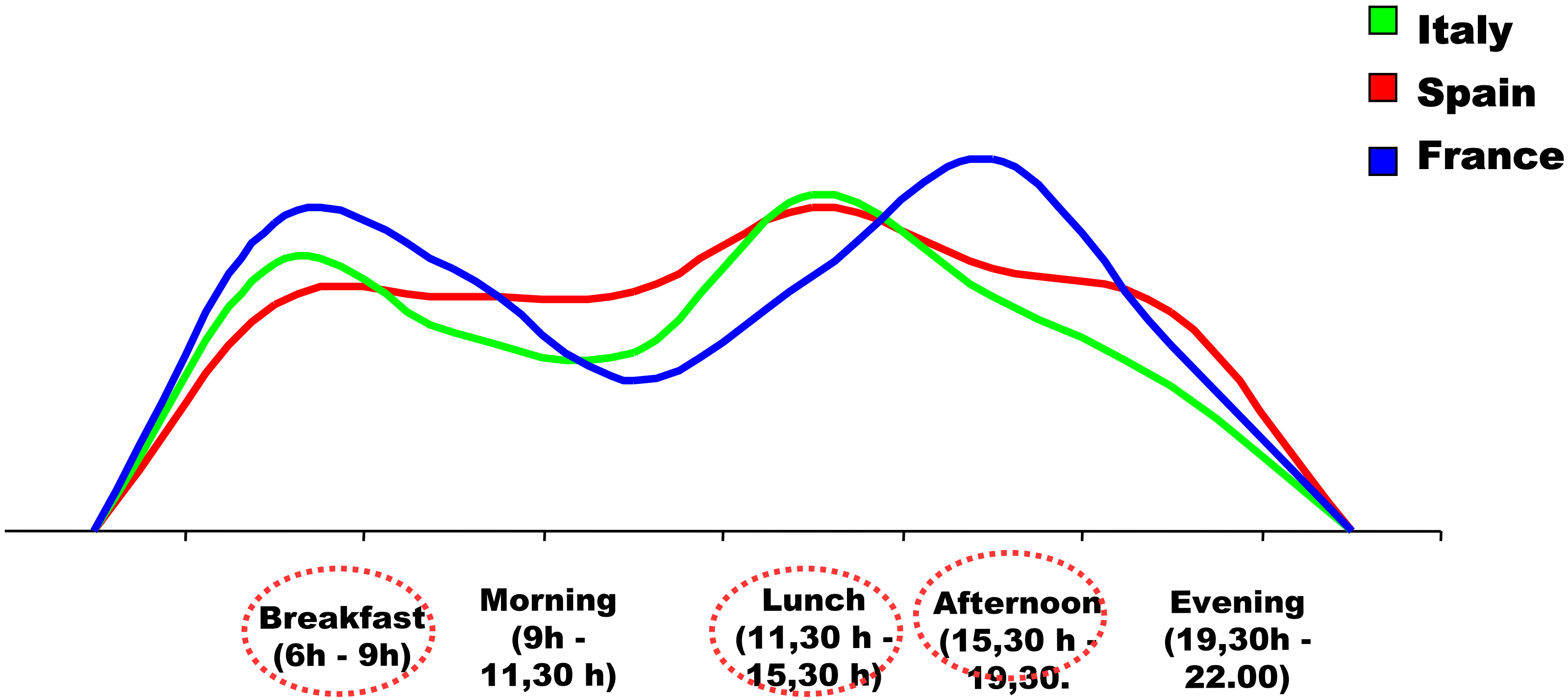
<table>
<tr><th>Base: Total sample</th><th>ITALY (414)</th><th>SPAIN (408)</th><th>FRANCE (392)</th></tr>
<tr><td>• PROFESSION</td><td>%</td><td>%</td><td>%</td></tr>
<tr><td>– Manager/entrepreneur/freelance professional</td><td>11</td><td>7</td><td>17</td></tr>
<tr><td>– Teacher</td><td>4</td><td>3</td><td rowspan="2">31</td></tr>
<tr><td>– White collar worker</td><td>30</td><td>40</td></tr>
<tr><td>– Merchant /shopkeeper (own business)</td><td>2</td><td>2</td><td rowspan="4">20</td></tr>
<tr><td>– Merchant/shopkeeper (employed by others)</td><td>3</td><td>3</td></tr>
<tr><td>– Craftsman/tradesman (own business)</td><td>1</td><td>-</td></tr>
<tr><td>– Craftsman/tradesman (employed by others)</td><td>1</td><td>-</td></tr>
<tr><td>– Manual labourer</td><td>5</td><td>6</td><td>1</td></tr>
<tr><td>– Student</td><td>38</td><td>32</td><td rowspan="4">31</td></tr>
<tr><td>– Housewife</td><td>2</td><td>1</td></tr>
<tr><td>– Retiree</td><td>1</td><td>1</td></tr>
<tr><td>– Unemployed</td><td>2</td><td>5</td></tr>
</table>

The Station visiting frequency



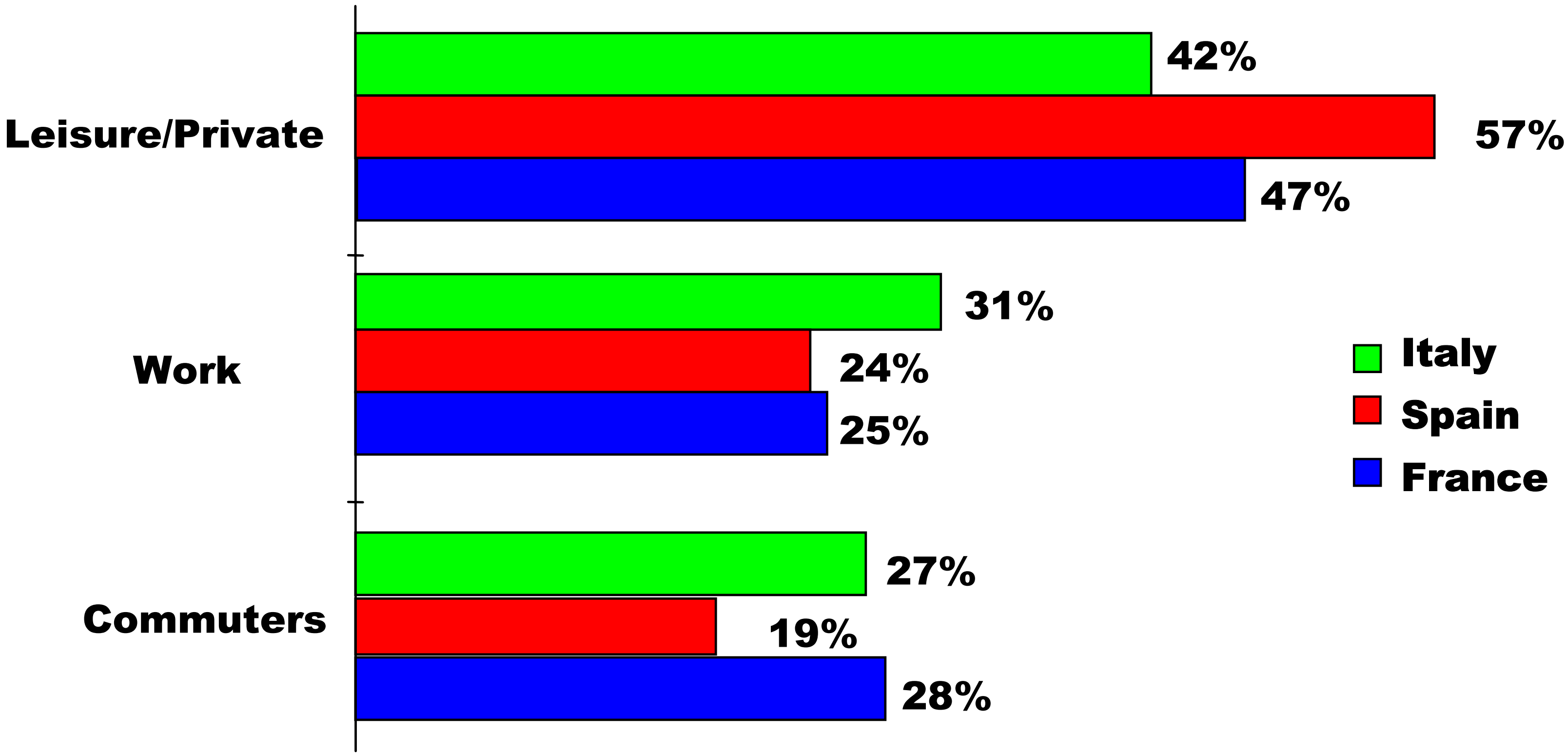
Higher weight of Occasional Visits almost everywhere with a higher weight in Italy

Time of visit



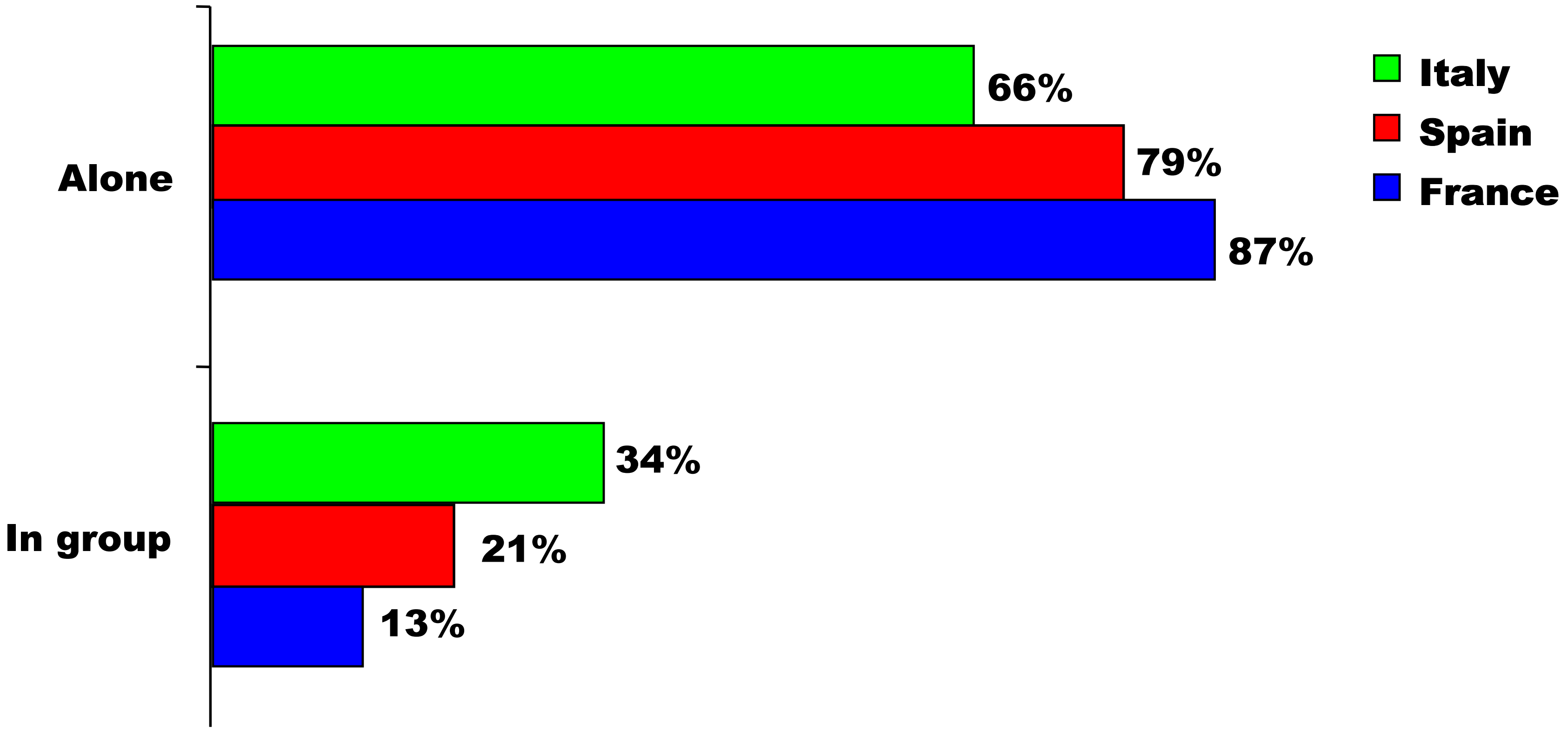
2 peaks overall with higher weight of Lunch usage in I and E, whereas F shows a peak in the afternoon

Reason to be in the station



Similar behaviour among countries between categories.
50/50 between private and work+commuting

Ways to travel



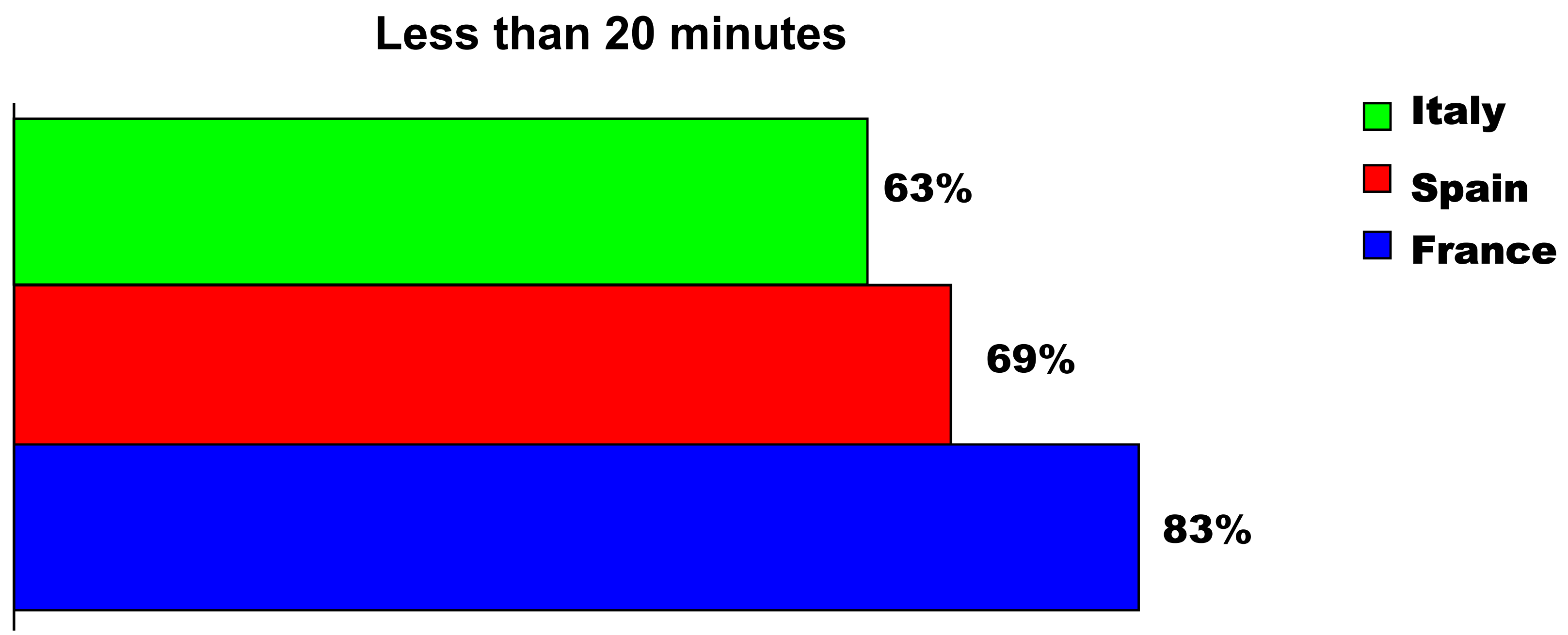
Mainly “lone” visitors

Non buying: reason why

	Italy	Spain	France
• "I have no time"	33%	23%	24%
• "I eat my own sandwich"	12%	3%	9%
• "I miss the opportunity"	10%	8%	2%

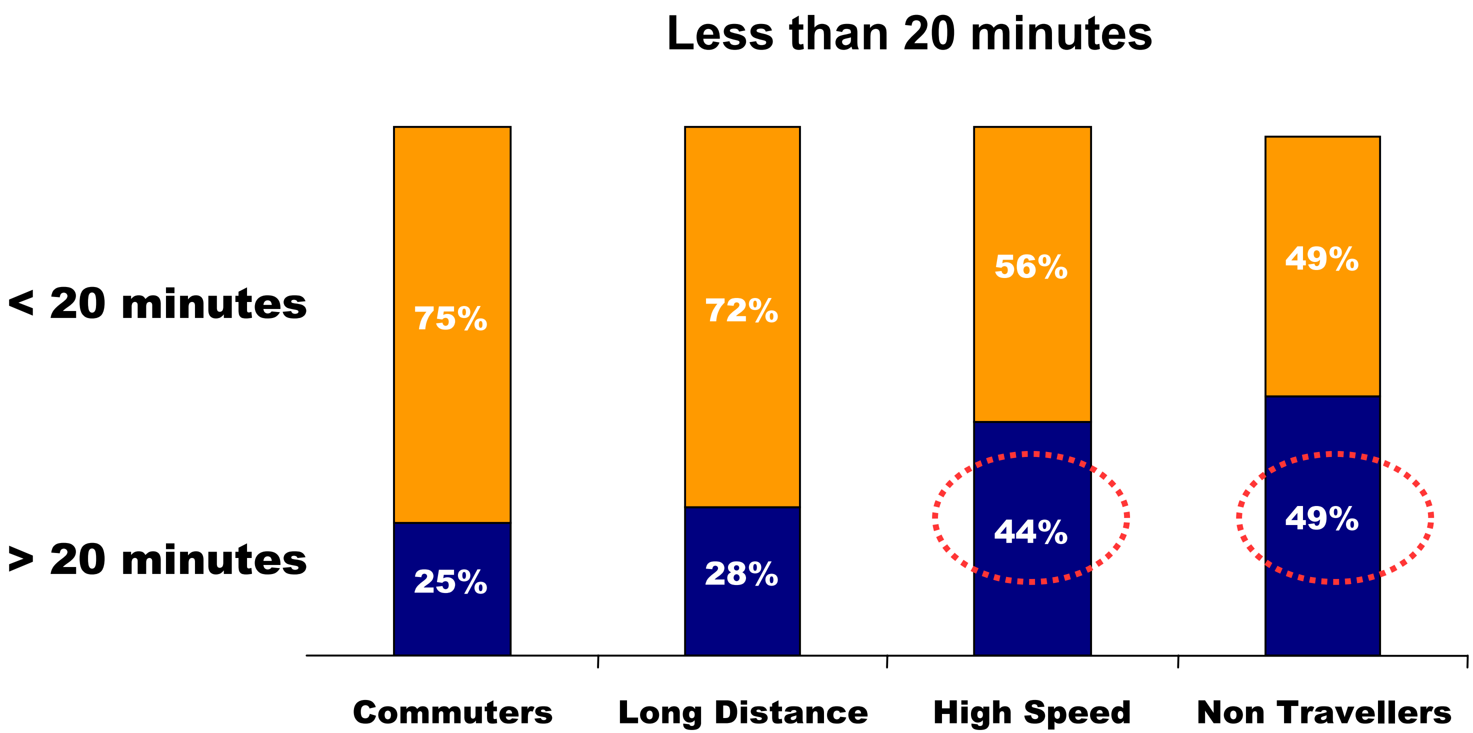
Main reasons is "time connstraint"

Dedicated Time to eating and drinking (1/2)



Everywhere few time dedicated (available?) for E&D

Dedicated Time to eating and drinking (2/2)



Time differences by category:

More time available for non-commuters, probably due to different consumer attitudes (buying power?)

Products to buy (today)

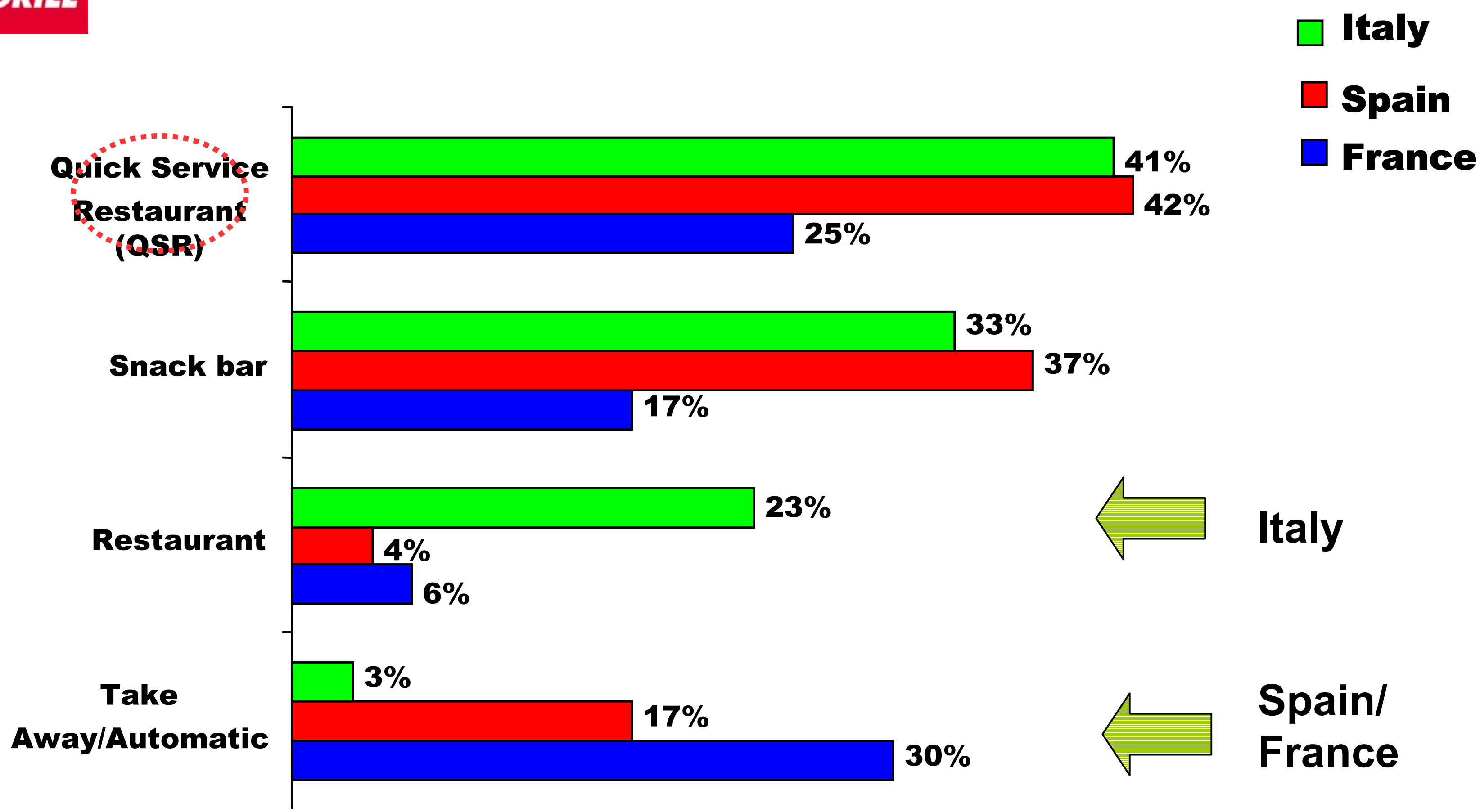
Always
- Water
- Breakfast
- Coffee
- Sandwiches
- Juices
- Soft Drinks
- Ice Cream
- Convenience Market

Probably Yes
- Chips
- Salad
- Hot Dog
- Bakery
- Cookies
- ….

Probably No
- Ethnic food
- Fish
- Wine
- Alcoholic

“Basic” products mantain the majority of preferences/needs (in every Country)

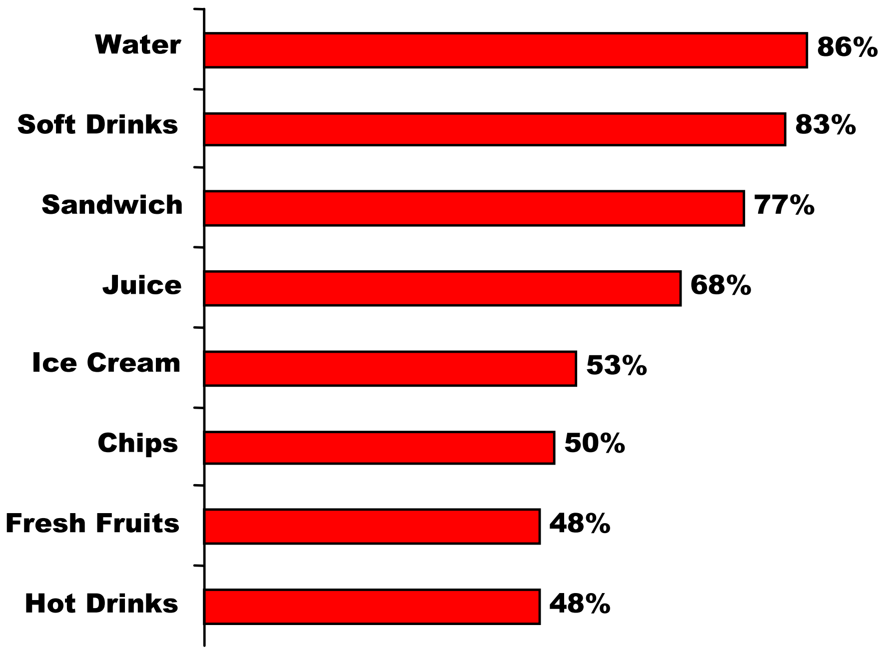
Services to buy



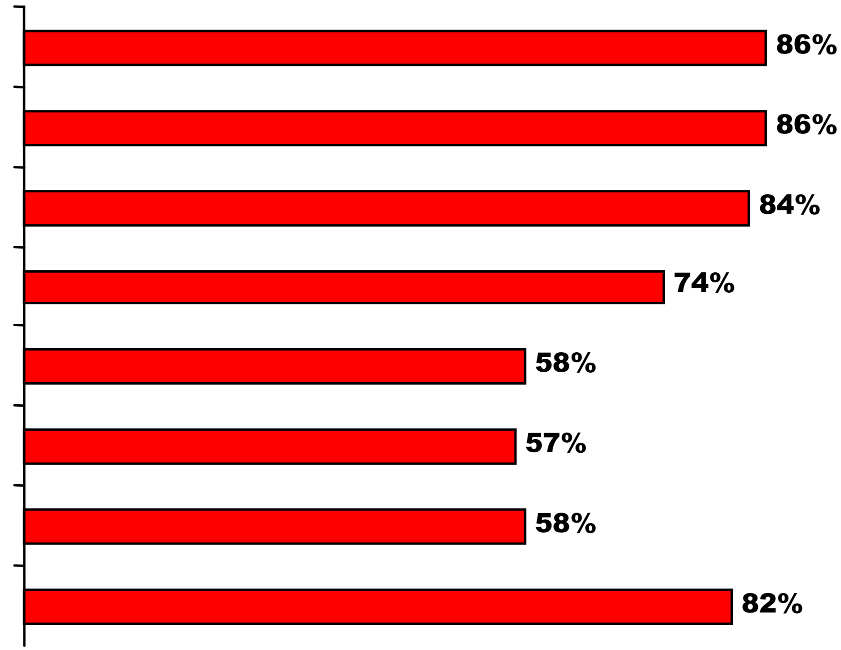
Quick-Service Restaurant (QSR) + take away from 44% (I) to 55% (F).
Opportunity for Take Away in Italy (3% vs 17% in E and 30% in F)

Opportunity Take Away
Which products?

Interest in Take Away



Favorite Product



Take Away Service could merge consumer needs with time requirements ...

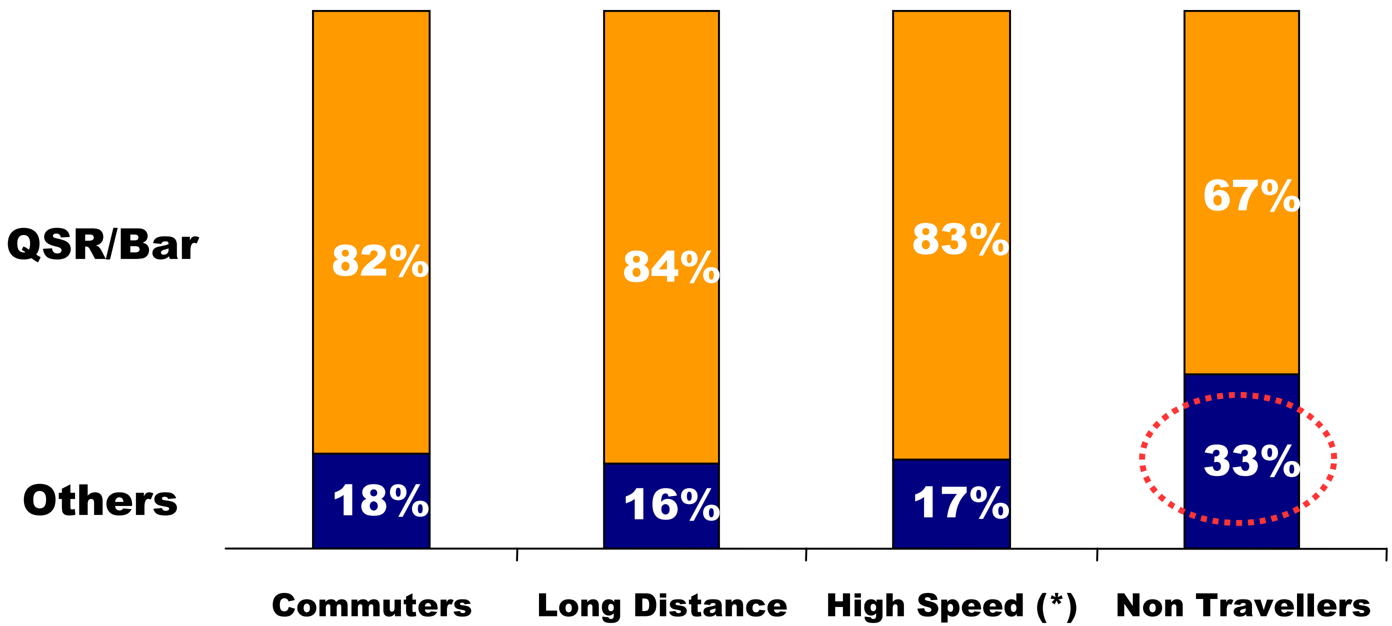
Opportunity Take Away
High returns

Take Away Kiosk –

Sales performance: 26.000 €/sqm (vs average F&B = 3.500 €/sqm)

… and offers to the industry partners the highest returns/sqm

Services to buy by category (Italy)



.. … non-QSR/Bar services mainly preferred
by non-travellers (e.g. linked to move towards shpping mall model)

**Spain*

Services choice related to available time

Available Time: / **Favorite Service:**

Available Time	Italy	Spain	France
> 30 Minutes	Restaurant	Table bar	Restaurant/ Cafeteria
< 30 minutes	Q.S.R./ Bar	Q.S.R./ Take Away	Q.S.R./ Take Away

Increasing weight of non-travellers, with higher time available, will ask for new services

Key elements of service choice

- **eating time guarantee (be “master of the time”)**
- **comfort (heating/conditioning)**
- **“easy to find” (i.e. signage)**
- **“close to platforms” (**only travellers**)**
- **Timetable close to F&B location (**only travellers**)**
- **Products Quality/Freshness as prerequisite**

Channel Comparison
Demographics (F&B users)

	Employee	Manager	Student
Motorway	25%	20%	11%
Airport	25%	32%	12%
Shopping Malls	33%	17%	17%
Railway Stations	27%	19%	31%

Lower buying power

Relevant group are students/Young people in Railway Stations
(lower buying power vs other channels)

Channel Comparison
Available time (F&B Users)

	Available time	
	< 60 min.	60 – 120 min
Motorway	-	-
Airport	48%	36%
Shopping Malls	27%	38%
Railway Stations	50%	11%

Users in Airports and Shopping malls show more available time

Channel Comparison

Reason Why to buy/stop

	Eating/ Drinking	Break	Services	Oil
Motorway	45%	38%	45%	30%
Airport	45%	16%	22%	-
Shopping Malls	50%	32%	5%	-
Railway Stations	44%	14%	7%	-

Main reason is e&d overall. Shopping malls and Motorways have also “break”/service” reason

Channel Comparison
Seasonality
Weight of the end-of-the week sales

	Italy	Spain	France
Motorway	**31%**	**39%**	**36%**
Shopping Malls	**23%**	**29%**	**-**
Railway Stations	**18%**	**27%**	**26%**
Airport (Business)	**14%**	**-**	**31%**
Airport (Hub)	**12%**	**-**	**-**

Highest weight in Motorways. Railway Stations are between Shopping Centers and Business Airports

Channel Comparison

Seasonality

Weight of the end-of-the year sales

	Italy	Spain	France
Motorway	8%	7%	7%
Shopping Malls	13%	11%	
Railway Stations	7%	9%	8%
Airport (Business)	8%	-	7%
Airport (Hub)	7%	-	

Shopping Malls reach the yearly peak in December whereas for railway stations, similarly to other channels is below/in average in every country

Conclusions

- Current picture shows a role of the station mainly **functional to travelling needs.** <u>Speed of service, take away and traditional offer are a must</u>

- New train services (i.e. high speed) will change the passenger mix/profile and habits but a more dramatic change will be brought by renovation works with the development of new commercial spaces which will move the station towards a more **dynamic "shopping&entertaining" environment**

- **Customer behaviour and needs** will therefore **change** asking for **formats** and **concepts.** <u>Beside traditional QSR/Bar new services like high end bar and table service will be required. Tomorrow's F&B panel will discuss which this new formats will be.</u>