

## RETAIL

# Startup Urban-Air Port First With A Retail Offer In New World Of Flying Taxis

**Kevin Rozario** Contributor 

*I cover retail and the global traveling shopper.*

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The world's first hub—or vertiport—for flying taxis and delivery drones—Air-One—is due to open in Coventry, England this April, supported by the U.K. government through its [Future Flight Challenge Fund](#), the local municipal council, and the advanced air mobility division of Hyundai—Supernal, which has made a strategic investment.

Air-One has been developed by UK-based Urban-Air Port, a startup developer of ground infrastructure for the new air taxis and urban air mobility (UAM) market which includes delivery drones. Another vertiport player is Spain's Ferrovial which has [invested heavily in Florida](#).

The market for autonomous urban aircraft is big: Morgan Stanley Research estimates that the [financial commitment](#) and accelerating technology advances in the space “could create [a \\$1.5 trillion market](#) by 2040.”

Competition is already fierce ahead of any launches, and Urban-Air Port (UAP) has decided that it will stay a step ahead by adding a retail revenue stream to its fledgling business. It has developed a dedicated e-commerce app-within-app for passengers wanting to shop when they travel, just like at conventional airports.

## An internally-developed shopping app

An e-commerce platform called Urban-Air Choice will sit within UAP's core—and internally developed—app which is designed to facilitate journey planning, flight reservations, check-in, and boarding. Alongside those essentials, customers will be able to access the Urban-Air Choice platform giving them access to retail brands and service partners.

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Keith Hunter, chief retail officer at Urban-Air Port, told *Forbes.com*:  
“This is UAP’s creation and intellectual property. We can offer specially curated brands and products, as well as exclusive offers. Additionally, customers can access our click-and-collect food and beverage selection from the Urban-Air cafe bar and a multitude of services, including car hire and hotel reservations. All of this will be linked to our loyalty program with benefits and rewards for our customers.”



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So far so good. The UAP app, built from the bottom up, is the equivalent of the typical airline app which allows you to check-in, while also ordering ancillary products and services. But the retail offer from UAP runs a little deeper. The company has committed to having shops on-site in Coventry—a city sitting very centrally in England—and at over 200 similar sites that are planned across the world in the next five years. So far 65 locations have been identified across the United States, Britain, European Union, and Asia Pacific which UAP says will typically cost about \$7-10 million to build.



The compact Air-One site with a first-of-its-kind shopping offer debuts next month in Coventry, ...

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The Coventry vertiport is 17,000 square foot in area and includes a 56-foot diameter central elevator for flying taxis, claimed to be the biggest such device in the world not found on an aircraft carrier. A 4,300 square foot lounge includes a product showcase designed to be “a physical experiential window” that encourages visitors to visit the retail app where more products are offered, including large items like furniture.

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## Diversifying income streams from the start

By adding in situ retail at its first vertiport, UAP is laying down a blueprint for the future when UAVs become commonplace. “The retail offering is a key part of our strategy to diversify income streams beyond being purely aeronautical,” said Hunter. “This will help prove the business case for investors and unlock the market for more sites worldwide.”

UAP is establishing a financial model based on airports to some degree. In that market, a 2019 pre-pandemic study from Airports Council International put the non-aeronautical business [at 40% of total revenue](#) of its airport members on average, of which retail concessions were the largest contributor.

Hunter and colleague, chief hospitality officer, Nick Goddard-Palmer both have extensive, high-level airport retail experience. They have also run a consultancy, Hunter Palmer – Global Retail Solutions, together since 2016 and were both taken on by UAP’s founder and executive chairman Ricky Sandhu a year ago to execute the retail side of his business.

Six retail and food and beverage (F&B) brands have been secured for the Coventry vertiport: luxury [athleisure](#) brand Anatomie; Italian food and beverage producer Bottega, well-known in the duty-free channel; Eurest, part of contract foodservice company Compass Group, which will run the on-site café; ‘smart vending’ player Mother whose equipment will be used to provide products on-demand and act as a click-and-collect point at future unmanned drone hubs; Italian high-end casual fashion house Paul & Shark; and LG Business Solutions, which will provide on-site technology in public spaces such as interactive screens to host brand campaigns.

Goddard-Palmer said in a statement: “Coventry is just the start. The support of our new brand partners gives us the platform to showcase what can be delivered in this new forum and opens the door for a whole new world of retail and F&B.”

It is still early days for the UAM market. Urban-Air Port has moved quickly with a retail model and app development but will have to wait for

its first passengers. The company told me that commercial flights in this sector could start as early as 2025 [citing AirCar](#), while its partner Supernal is starting commercial flights in 2028.

However, with Urban-Air Port predicting its global passenger numbers could reach up to 28 million a year in the next five years the market could develop very fast. UAP also has an advantage in being one of the first to market. The biggest barrier is ground infrastructure as only 3% (about \$150 million) of industry investment in 2021 was in physical ground infrastructure while \$5 billion (33 times more) has gone into the development of eVTOL (electric vertical take-off and landing) vehicles. Air-One in Coventry, and UAP’s eventual wider network, could plug the infrastructure gap.

In a statement, founder Sandhu said: “Once complete, Air-One—the world’s first fully operational hub for flying taxis and delivery drones—will spark into life an entirely new world of affordable, zero-emission and congestion-free travel. However, this is not just about getting from A to B, it’s about the journey itself (so) we will deliver an interactive customer experience that can be replicated right across the world.”

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