

Food and Beverage Trends in Airlines

June 28, 2022



Post-pandemic realities of the the airline industry



Air traffic levels slowly rebuilding, and projected to return to pre-pandemic levels in 2024



Business travel to remain stagnant, projected to only recover to around 80% of pre-pandemic levels by 2024. ¹



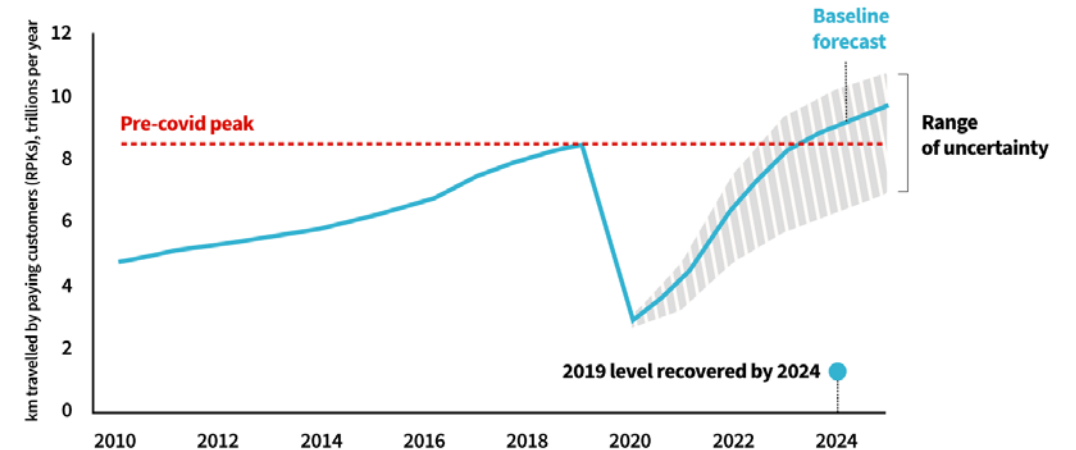
Leisure travel is booming, with global flight bookings for leisure travel soared 25% above pre-pandemic levels in April 2022 ²



Greater focus on achieving net-zero 2050 targets with the airlines introducing more efficient aircraft into service and delivering better average per-seat efficiency gains compared to pre-pandemic levels



Air travel is forecasted to return to peak by 2024



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Source: IATA/ Tourism Economics 'Air Passenger Forecasts' October 2020

1: <https://www.mckinsey.com/industries/travel-logistics-and-infrastructure/our-insights/back-to-the-future-airline-sector-poised-for-change-post-covid-19>

2: <https://www.cnbc.com/2022/05/19/flight-bookings-for-leisure-and-business-travel-top-2019-levels.html#:~:text=Global%20flight%20bookings%20for%20leisure,2019%2C%20according%20to%20the%20report.>

The pandemic has had a significant impact on food and beverage in-flight service



Pre-pandemic, in-flight services—especially **food and beverage**—were the **primary drivers of passenger satisfaction** among international travelers¹



In-flight service has been coming back very gradually to what it was pre-pandemic, both in economy and business class



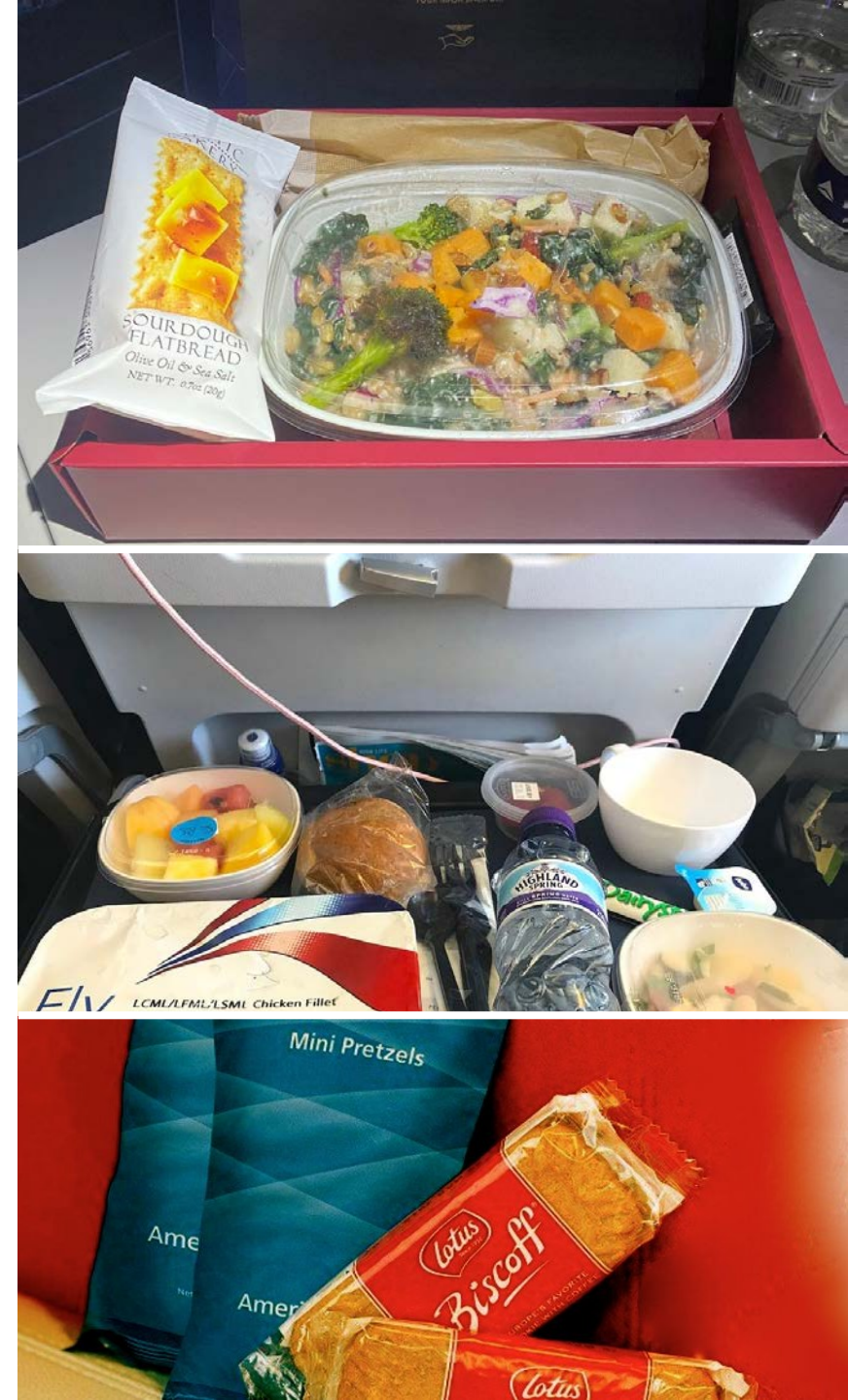
Overall **passenger satisfaction has declined sharply** across nearly all measures, and **remnants of pandemic-era restrictions**, such as the suspension of alcohol service in premium class, **has driven sharp declines in passenger satisfaction** with food and beverage offerings²



As consumers come back to pre-pandemic expectations with in-flight experience, **airlines can differentiate themselves** to be in-tune with customer expectations

1: <https://www.travelagentcentral.com/your-business/stats-food-not-price-drives-int-l-airline-passenger-satisfaction>

2: <https://www.jdpower.com/business/press-releases/2022-north-america-airline-satisfaction-study>



Early Observations from Voice of Stakeholder Research

Flight attendant interaction with passengers during in-flight services has decreased as more passengers are more focused on in-flight entertainment than in-flight F&B service



From flight attendants...

"The most enjoyable part of the flight was serving food and beverage service to my passengers. We have completely reduced that in COVID and I miss it the most".

- Barbara

"Passengers used to love our hot meal service and all the fixings we used to give in first class (e.g., a hot fudge sundae)"

- Rachel

"With devices and availability of movies in-flight, people do not want to be bothered. They want little to no interaction with their flight attendant."

- Barbara



From passengers...

"I heard people talk about the Delta cheesecake before, but it was way better than I expected. It was the best cheesecake I ever had."

- Jameson

"I flew United and had a bad experience. The food seemed processed, fake, frozen even. It was wrapped in plastic and messy to deal with. It really felt like a low effort, fast food-type of thing."

- Wes

"I don't like that the snacks are always some brand I've never heard of. Just give me some cheez-its!"

- Sydney

What does the future of food and beverage in-flight service look like?

3 Major Themes across Top 10 Emerging Airline Food & Beverage Trends



No Concessions on Quality



1. PARTNERING WITH LOCAL BRANDS

Airlines are looking to add variety to their menus, like serving craft spirits from small, local brands



3. HEALTHY OPTIONS

Expanding options to accommodate a wider variety of health choices is a clear trend



2. FOOD QUALITY

Efforts are being made to improve food quality, which could give early adopters a competitive advantage



4. TRANSPARENCY

Passengers want an up-to-date menu on airline websites with all nutrition information and ingredients



Higher Handling Standards



5. SUSTAINABILITY MATTERS

The climate change crisis has placed an emphasis on sustainability



6. SANITATION PROMISE

Post Covid 19, people want to know their food has been prepared in accordance with health guidelines



Streamlined Tech Experience



7. F&B TRACKING & ANALYTICS

Tech-based systems and POS solutions are being used to track passenger ordering, improve experience, reduce waste, etc.



8. PRE-ORDERING MEALS

Some airlines are allowing passengers to select their in-flight meals before their flights



9. BUY-ON-BOARD ON DEMAND

Airlines are putting power into the consumer's hands with improved mobile, on-demand ordering




































































10. CONTACTLESS PAYMENT

Airlines are moving to touchless tech onboard, including tap-to-pay systems and integrations with payment platforms

How are top airlines responding to these trends?

Select airline set for illustration.
Contact us to see more.

		KEY: minimal focus some focus strong focus							
Quality		1. Partnering with Local Brands							
		2. Food Quality							
		3. Healthy Options							
		4. Transparency							
Handling		5. Sustainability Matters							
		6. Sanitation Promise							
		7. F&B Tracking & Analytics							
Tech		8. Pre-Ordering Meals							
		9. Buy-on-Board, On Demand							
		10. Contactless Payment							

Food & Beverage Trends Deep Dives

1. Partnering with Local Brands

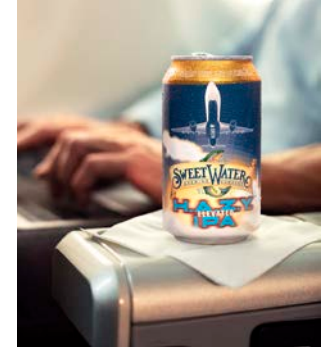
Airlines are looking to add variety to their menus, like serving craft spirits from small, local brands

Overview of Trend

Some airlines are curating their menus with food and beverage offerings from outside brands, in an effort to create a best-in-class onboard dining experience. Through partnerships with local brands, passengers can get a taste of local flavors, and brands gain publicity from the efforts. Additionally, using locally-grown ingredients creates a menu that is more seasonal and therefore, fresher.

7 new local beverages have been introduced by Delta

"Spritz cocktails have become synonymous with summer and offer a taste of Europe" – L. Bondar, UAL



Examples from the Field

Delta is diversifying its drink offerings. Various craft spirits products will be available in the first-class cabin for free, and available in coach for purchase, such as: Du Nord Foundation Vodka, Breckenridge Brewery, Terrapin Beer Company.

American Airlines has partnered with Silver Spoon Desserts. This Chicago dessert company from Aurora, Illinois, was originally started as way for a single mother to "pour all her focus and energy into pursuing her passion and along the way create opportunities for her children and her community"

2. Food Quality

Efforts are being made to improve food quality, which could give early adopters a competitive advantage

Overview of Trend

After air travel was reduced during the Covid-19 pandemic, airlines are looking for ways to continue to encourage passengers to fly again. Improving food and beverage quality is one way to achieve this. In addition, travelers are looking for healthy, sustainably-sourced items of higher quality. Various airlines have really stepped up the quality and selection of their offerings, to try and increase customer satisfaction and keep up with competitors.

“Food, Not Price, Drives Int’l Airline Passenger Satisfaction” – A. Leposa, TAC



Examples from the Field

In **Delta One**, meals are a result of collaborations with culinary experts who serve up the best and freshest examples of their region’s cuisine.

On **Turkish Airlines**, menus change according to the season, and the dishes are always prepared with the freshest ingredients. The economy class is known for its high-quality food, which is not the case on many airlines.

Emirates is well-known for their in-flight cuisine. They serve pastries, marinated fish, fresh green salads, etc. and import vegetables, fruits and ingredients from countries all over the world.

3. Providing Healthy Options

Expanding options to accommodate a wider variety of health choices is a clear trend

Overview of Trend

Passengers are requesting healthier options on flights made with fresh ingredients. As a result, many airlines have made an effort to use whole foods and provide options for various dietary choices or restrictions.

One challenge for chefs and caterers is maintaining good flavors with healthy dishes. Additionally, food appears to lose some of its flavor as altitude increases. As a result, chefs are finding healthy alternatives for flavoring meals, instead of loading them with salt.

800 mg of sodium in the average airline meal



375 average # of calories per menu item, and trending down



Examples from the Field

Qatar Airways designed a range of delicious, plant-based vegan dishes that are available à-la-carte to Business Class passengers on all flights. Additionally, they offer 18 different special meals that can be requested before take-off to cater to different dietary requirements, such as kosher meals, diabetic meals, low-sodium meals, etc.

Turkish Airlines offers 9 special dietary meals, in addition to healthy meals made by personal chefs with fresh, seasonal ingredients.

4. Transparency

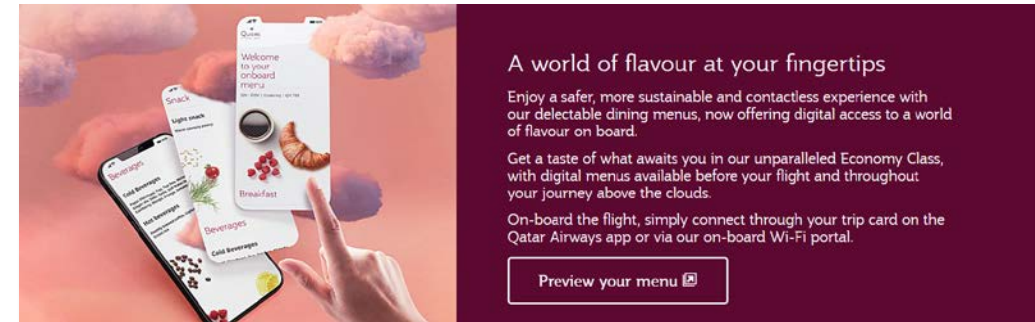
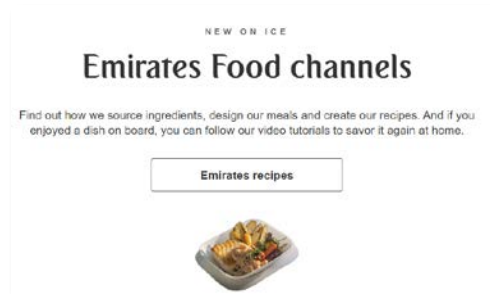
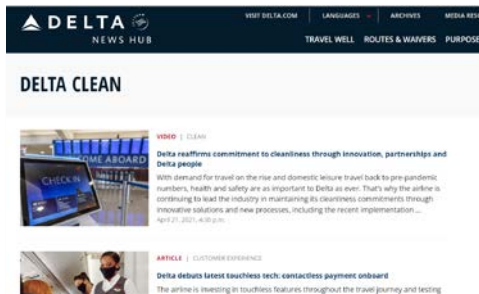
Passengers want an up-to-date menu on airline websites with all nutrition information and ingredients

Overview of Trend

According to one Food Revolution Study, 94% of consumers say transparency is important to their purchase decisions. Airlines can use the power of transparency to assure travelers that their food and beverage offerings are healthy, sustainably sourced, and safe to consume.

“Passengers want to know how food is prepared, whether people are wearing masks and gloves, so airlines should be as transparent as they can to assure passengers that it was prepared in a safe way.”

- World Food Travel Association program manager Jane Connelly



Examples from the Field

Passengers on **Qatar Airways** can view the menu for upcoming flights on the airline's app or website. Ingredients are included on pre-order menus and safety measures are clearly outlined on their website.

Delta News Hub dedicates a whole section of their articles to Delta Clean. Updates are regularly posted on the protocols that Delta is still adhering to and letting travelers know that they are doing everything they can to keep passengers safe.

On their website, **Emirates** posts ingredients and full recipes for their in-flight meals.

5. Sustainability Matters

The climate change crisis has placed an increasing emphasis on sustainability

Overview of Trend

As the climate change crisis grows more urgent, operators' environmental choices have increasing relevance to travelers, as many airlines have already shown. Airlines are working to reduce food waste, replace plastics with paper and compostable materials, and recycle.

"We caterers work in closed loops, and everything is produced, consumed and thrown [away] within a closed circle"

-Fabio Gamba, managing director of the Airlines Catering Association (ACA)

1.8M pounds of plastics have been replaced by Boxed Water and paper cups, by **Alaska Airlines**



Examples from the Field

Delta Airlines assures that later this year, all international Main Cabin customers will see new dishware made from biodegradable material, bamboo cutlery, and premium paper placemats.

The dishwashing area at **Qatar Airways Catering Company (QACC)** includes a sorting conveyor which enables reusable and recyclable items to be hand separated from food waste. Along with dishware and silverware; plastic, metal and glass items are sorted for recycling. Used cooking oil is collected from QACC and recycled locally to create biodiesel. Unused food products are donated to a local charity that

6. Sanitation Promise

Post Covid 19, people want to know their food has been prepared in accordance with health guidelines

Overview of Trend

Following the Covid-19 worldwide pandemic, airlines were forced to rapidly improve sanitation measures before, during, and after flights. Not only do passengers expect sanitized airplane interiors, but they also want to know that their food is being handled in accordance with health guidelines.

60% of Americans list hygiene as the most important factor when choose a travel company, according to survey by Honeywell International, Inc.



Examples from the Field

Turkish Airlines prepares and serves all their food and beverage offerings in line with high hygiene standards. They practice low contact service in-flight, and catering is produced in hygienic kitchens.

During the heat of the Covid-19 pandemic, **Delta Airlines** made sure that catering equipment and trucks were sanitized with a food-safe disinfectant. Also, electrostatic sprayers are used to sanitize aircraft cabins. In the catering facilities, kitchens are thoroughly cleaned, and partners follow HACCP (Hazard Analysis and Critical Control Points) food safety regulations.

7. F&B Tracking and Analytics

Tech-based systems and POS solutions are being used to track passenger ordering, deliver a personalized experience, and reduce waste







Overview of Trend

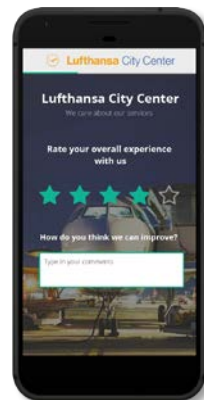
Airlines are using tech-based systems to track passenger ordering to improve experience. Soon there will be extensive new ways to track passengers, which raises concerns about the balance between convenience and data security. Some airlines have whole teams or “listening centers” dedicated to sorting through and addressing customer concerns, as well as monitoring social media mentions.

35% expected reduction in food waste by Emirates through AI

“Airlines will track passengers in new ways... soon your preferred pre-departure drink will be waiting for you at your seat” – S. McCartney WSJ

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 <p>Get in touch. Email us Have a question or want to share your recent travel experience with us? We love connecting with our Customers. Responses may take up to 10 days.</p>	 <p>Join the discussion. Community Share and learn from other travelers.</p>	 <p>Facebook us. Facebook Messenger Send us a message with a question or comment.</p>



Examples from the Field

Emirates has equipped its attendants with tablets containing its KIS system. With it, attendants can see which previous trips a passenger has taken with the carrier before and, based on this, know their food, wine and seating preferences as well as any issues a customer may have during their travels.

In addition, an AI-enabled food waste management system will enable **Emirates Flight Catering (EKFC)** to improve reporting and data collection to further reduce food waste. Using a camera, a set of smart scales and machine learning technology, the system ‘learns’ to recognize different foods being thrown in the bin and calculates the cost of this discarded food to the kitchens. Then EKFC can adjust its food purchasing decisions accordingly.

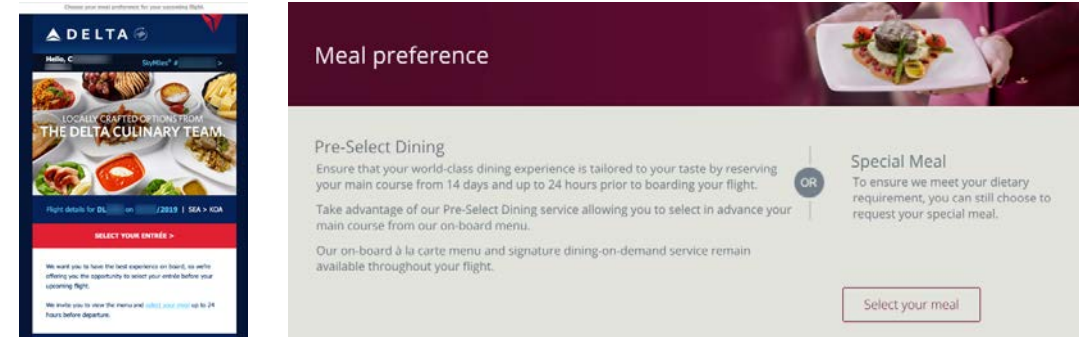
8. Pre-Ordering Meals

Some airlines are allowing passengers to select their in-flight meals before their flights

Overview of Trend

To make flying easier and more enjoyable, many airlines are offering pre-ordering of meals for select flights. Passengers can view the menu for their upcoming flights and select which option best suits their tastes and/or dietary requirements. These personalization efforts lead to greater efficiency during flight and higher customer satisfaction.

“In economy, the food cart is completely picked over by the time it reaches halfway down the aisle, so the ability to reserve a meal and have it delivered to your seat is a phenomenal development”
– K. Olsen, TPG



Examples from the Field

American Airlines was the first U.S. airline to offer First and Business Class passengers the choice to reserve an entrée on flights with scheduled meal service.

All **United Airlines** customers can pre-order meals, snacks, and drinks up to 5 days before they're scheduled to travel.

Qatar Airways allows passengers to pre-select their meal in Business Class or First Class from a list, 14 days in advance and up to 24 hours before take-off.

9. Buy-on-Board, On Demand

Airlines are trying to put power back into the consumer's hands and improve mobile, on-demand ordering

Overview of Trend

While many airlines are moving towards greater adoption of pre-ordering meals to save time and increase customer satisfaction, many passengers forget to order ahead or like the flexibility of ordering on board. On various airlines, buy-on-board service is an option, and can be done right on a passenger's cell phone.

"I like the concept [of on-demand mobile ordering] and hope more airlines consider adding similar functionality. It allows you to avoid ringing the flight attendant call button or get up to visit the galley, as is sometimes needed for mid-flight service." – Darren Booth, CNBC



Examples from the Field

Lufthansa is offering a buy-on-board food and drink service for economy short and medium-haul passengers.

Qatar Airways passengers can dine-on-demand with an a-la-carte menu.

On **Turkish Airlines** flights, Business Class travelers can order at any time on night-time intercontinental flights from/to Istanbul, to be delivered at a time of their choice.

On **United Airlines**, in addition to preordering meals, passengers can order on the flight with a contact-less payment system.

10. Contactless Payment

Airlines are moving to touchless technology onboard, including tap-to-pay systems and integrations with payment platforms

Overview of Trend

Following the pandemic, some airlines installed touchless payment systems for buy-on-board food and beverage selections. Pre-loaded passenger profiles can be pulled up on mobile tablets by the flight crew to quickly pay for snacks and drinks using a stored payment method. Other airlines are integrating with payment platforms, allowing travelers to check out effortlessly with a QR code on their phone.

2.1M transactions, including 550,000 snack box purchases, by United contactless payment system in the last 12 months



Examples from the Field

Last year **United Airlines** integrated their onboard payment systems with PayPal. With the PayPal mobile app, passengers can purchase buy-on-board offerings during flight and display their QR code to check out.

Delta offers tap-to-pay technology for onboard purchases. Passengers can purchase items on board using their mobile devices or contactless-enabled credit cards. Their goal is to ease every step of the travel journey.

Thank you.



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