The ACA Corner: December insights from dnata and Expana

The ACA Corner: December 2025

The ACA Corner presented in partnership with Official Media Partner PAX International *is a monthly column dedicated to voicing expertise directly from ACA members. ACA represents more than 65 percent of the worldwide airline catering market. ACA invites all members to share their views in future editions of the ACA Corner by contacting Mercedes Dieguez.*

Introduction from Fabio Gamba, Managing Director, Airline Catering Association



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As we move into a new year, inflight catering continues to operate in a demanding environment, shaped by operational pressure, cost constraints and evolving expectations across the aviation value chain. In this context, one point remains central: inflight catering is set to thrive as a professional activity with clear and universal standards based on a realistic understanding of its operational constraints. This is where ACA's priority lies — bringing caterers together, supporting alignment on key principles, and ensuring that the sector's voice is heard and respected at industry level.

A brief review of the year coming to an end, together with ACA's priorities and plans for the year ahead, will be shared in the January edition.

In the meantime, together with my colleagues Ulrike and Mercedes, I would like to sincerely thank all ACA members for their continued engagement and trust. We wish all our members, partners and their teams all the best for the year ahead.

Fabio Gamba
Managing Director
Airline Catering Association

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Caterer's perspective: Robin Padgett, CEO, dnata Catering & Retail

Data: The ingredient shaping inflight retail
Across the airline sector, retail strategies are being rewritten as carriers push for smarter ancillary revenue and more responsive onboard experiences. Digitalization and data infrastructure, once peripheral to inflight retail, now sit at the center of program design and decision-making.

Few have had a closer view of this shift than Robin Padgett, CEO of dnata Catering & Retail, whose teams support full-service, low-cost and VIP carriers across more than 60 locations globally.

“We are seeing a move toward far more precise retail planning,” Padgett tells *PAX International*. “AI-driven personalization and dynamic pricing are no longer theoretical. Airlines want to understand what an individual passenger is likely to value, and they want the flexibility to present that offer at the right moment.”

This trend increasingly extends into loyalty integration.

“Airlines want retail programs that connect directly with their loyalty ecosystems,” he says. “When the two speak to each other, it strengthens engagement and elevates the passenger experience.”

Precision is especially important given the constraint of limited onboard space, Padgett notes.

“Historic averages are not enough. On many routes, we use models that evaluate profitability down to the cubic centimeter. With one airline, applying dynamic loading reduced total quantities by 32 per cent while increasing availability of high-demand items by 16 percent.”

For passengers, the biggest change is the rise of omnichannel retail journeys, where browsing, pre-ordering and onboard purchases are connected through a single digital ecosystem.

“Passengers expect retail to work the same way it does on the ground,” Padgett says. “That means consistent storefronts, contactless payments and seamless fulfillment behind the scenes.”

Delivering that experience requires tightly integrated systems. dnata’s platform links warehouse management with onboard sales, supports more than 40 million annual transactions and manages a global retail stock portfolio exceeding US$200 million.

Looking ahead, Padgett believes the industry’s focus will sharpen further.

“Real-time BI is becoming the heartbeat of inflight retail,” he says. “Airlines want clarity on performance as it happens–and the sector is moving quickly in that direction.”

Robin Padgett
CEO
dnata Catering & Retail

Supplier's perspective: Andrew Moriarty, Senior Manager, Analysis at Expana

Recipe costing for the sky: Turning menu planning into margin mastery
In inflight catering, every gram counts—onboard and on the balance sheet. From butter to beef to biodegradable cutlery, ingredient and packaging costs can shift overnight. Yet passengers still expect the same taste, presentation and portion consistency at 35,000 feet. The challenge? Balancing

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culinary quality with financial precision.

How to get there
Start by building a recipe bill of materials (BOM) that captures every input—ingredients, packaging, labor minutes, energy use, logistics and any handling or duty costs. Link each element to a supplier price or market benchmark so your recipe updates automatically as markets move. Then, run scenario tests: switch packaging types, substitute ingredients, or model alternative routes and freight options to see how each decision affects your cost per tray and margin. Finally, forecast costs 12–36 months ahead for key SKUs to guide contract timing, menu redesigns, or hedging strategies. Done right, recipe costing turns menu planning into proactive margin control.

Platforms like Expana help make this process more efficient. By combining IOSCO-assured market data, predictive forecasts and AI-supported cost modeling, inflight caterers can bring together key cost drivers—such as ingredients, packaging, labor, transport and energy—into a single, coherent model. Tasks that previously required extensive manual data gathering and spreadsheet work can be completed more quickly and with greater consistency.

With modern cost modeling, inflight caterers can:

- See beyond ingredient lists. Combine commodity, packaging, transport, energy, and labor data for a true landed cost of each plated meal.
- Compare apples to apples. Benchmark suppliers, packaging formats, and logistics options with one consistent model.
- Protect margins without losing flavor. Understand recipe or packaging changes and their impact on cost before they hit the galley.
- Forecast and act early. Anticipate cost volatility weeks or months ahead and adjust sourcing or menus proactively.

In short, recipe-level intelligence keeps your meals profitable—and your margins cruising at altitude.

Insights from Expana's commodity market experts
Poultry: Global poultry markets remain uneven heading into 2026, with production and pricing shaped largely by disease disruptions and shifting economic conditions. HPAI and other biosecurity concerns continue to influence output in several regions, while consumers facing cost pressures are leaning more heavily toward affordable protein options. These forces create irregular demand patterns and inconsistent availability across major suppliers.

The U.S. is seeing mixed consumption trends and uneven pricing, Brazil’s export flow has normalized after China lifted restrictions, and Europe and the U.K. continue to navigate disease-related supply risks and rising regulatory costs. The result is a market where breast meat, thighs, wings and cooked items can move very differently by origin.

For inflight caterers, the implication is clear: poultry costs are no longer predictable or uniform, and reliance on static supplier pricing increases exposure to volatility. Using benchmark-linked data and scenario modeling helps caterers anticipate swings, test alternatives and maintain margin discipline without sacrificing menu quality.

Beef: With global beef markets set to tight into 2026 due to limited herds, uneven demand, trade uncertainty, and seasonal buying trends, it is important to stay up to date with data. The U.S. is facing historically low cattle inventories, and price levels for individual beef items have reached record highs throughout the year.

The tariff reduction for beef could boost imports just in time for the turn of the new year when quotas

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reset. Brazil remains the main global exporter, with shipments hinging on China's buying and its antidumping probe as well as the US tariff situation. Australia and New Zealand show mixed supply trends but remain competitive exporters. Asian demand is varied: China is subdued, Korea steady, Japan price-sensitive, and Southeast Asia expanding.

Potato: The EU potato market continues to be characterized by significant oversupply and very limited levels of free-buy trade. Free-buy prices tumbled in the first half of 2025 and have remained stagnant in recent months. Market sentiment remains gloomy, and sources anticipate no change in the market situation, at least in the short term.

Overseas competition is an increasingly pressing issue for European producers. Chinese and Indian exports continue to increase while EU exports are down.

The North-Western European Potato Growers association (NEPG) has described a difficult and problematic market situation and urged industry participants to carefully consider planting levels going forward. The NEPG suggests that contract pricing and volumes will be reduced for the 2026/27 season. Market sources have stated that this will be a key watch-out factor for the next season.

Despite the oversupply situation, sources have suggested that some growers may be planning to increase planting for the new season, making this a contentious issue for the industry, in light of the NEPG's warning against over-planting.

Orange juice: Brazil's 2025/26 orange crop has been hit by adverse conditions, including challenging weather events and persistent disease issues. Although crop volumes are projected to be up year-on-year, this follows a particularly low level of production in 2024/25. In addition, Fundecitrus, the industry representative body in Brazil, revised its crop forecast down in September, and some industry participants anticipate a further reduction in December. Despite this, prices for orange concentrate remain suppressed amid sluggish consumer demand.

The global citrus industry continues to struggle with Huanglongbing (HLB), also known as citrus greening disease. In Brazil, this year, about 40 percent of the crop has been affected by greening disease, according to Fundecitrus. In addition, the country received rainfall about 70 percent below expectations. Fundecitrus has stated that citrus greening is currently the main challenge for the industry, and states that "greening severely compromises the productivity and longevity of orchards"."

However, the orange juice industry is also contending with persistently sluggish demand. Following a season of tight supply in 2024, prices rallied, peaking in August 2024. With retail prices elevated, consumers were driven to alternative products. Orange concentrate prices then began a decline, which has continued throughout 2025, while retail prices remained fixed. Consumer interest has yet to be regained, and market sources report that retailers are now pursuing marketing campaigns and offering lower prices.

Coffee: Late Q4 coffee trade remains dominated by Vietnam's weather disruptions. After Typhoon Kalmaegi and repeated heavy rains, fresh flooding in central provinces has left some low-lying farms in Dak Lak under water and traders warn that harvest progress could slow as soils remain saturated with further rain expected through November 20. Brazil's arabica belt has benefited from mostly favorable rains, although the market remains sensitive to possible flowering stress as trees continue to recover from earlier heat episodes. With Vietnamese output risks still elevated, sentiment stays cautious into year end.

Early 2026 drivers will depend upon Brazil's weather pattern and Vietnam's recovery from the

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typhoon, as well as ensuing prolonged heavy rains and flooding. If Brazil receives timely, widespread rainfall, arabica availability could strengthen into Q2, potentially easing values on ICE Arabica Mar-26 and May-26. The United States removal of the 40 percent tariff on Brazilian coffee is expected to accelerate shipments, with beans previously held in bonded warehouses likely to move quickly to roasters.

The removal of the U.S. tariffs on Brazilian coffee may soften U.S. retail prices, which rose as much as 40 percent earlier in the year. Upside risk in robusta remains tied to Vietnam, where any further harvesting delays could keep ICE Robusta Jan-26 and Mar-26 supported despite improving Brazilian supply.

Andrew Moriarty
Senior Manager, Analysis
Expana

Your ACA Leadership Symposium Official Media Partner for 2026
PAX International is the Official Media Partner of the ACA Leadership Symposium 2026, taking place in Toulouse, France from February 18 to 20. Toulouse is home to Newrest's headquarters, where CEO Jonathan Stent-Torriani also serves as President of the ACA.

Registration for the ACA Leadership Symposium 2026 is now open. Industry stakeholders are encouraged to secure their spot and join the conversation shaping the future of inflight food and beverage.

The prestigious event, now in its second edition, will gather top-level executives from across the airline catering supply chain in the vibrant Pink City for three days of strategic dialogue, collaboration and insight-sharing. Building on the success of its inaugural edition in Amsterdam this year, the ACA Leadership Symposium is set to become a cornerstone event for the inflight catering industry.

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