Airlines & Suppliers are going organic: Here's why

As a proud media sponsor of <u>WTCE</u>, PAX International is sharing the organization's latest news on aviation trends



Aviation food and beverage represents one of the biggest revenue drivers for the onboard industry. Yet, with increasing numbers of passengers either bringing their own food when travelling or buying in flight rather than opting for free meal options, how can suppliers and carriers continue to best cater to and impress customers? This article examines current food and beverage trends and why there is a renewed demand for seasonal, local and organic (S-L-O) offerings.

Why go organic?

Embracing organic products and seasonality for onboard offerings doesn't just cover the food and beverage sector. Products may also include bedding, cutlery or tableware, health and beauty products and sanitation products, although it's clear that the most sought-after sector with the clearest roadmap to profitability is indeed food and drink service.

Revitalizing inflight food and beverages with more seasonal, local and organic produce can enable airline operators to boost business in some important areas including reducing food waste onboard, decreasing food disposal costs, ensuring higher quality offerings and improving onboard revenues. And, whilst considerations like pricing and flight schedules may resonate more strongly with passengers when purchasing, the above benefits offer undeniable synergy with customer concerns.

More so than that, locally-sourced, organic and seasonal inflight and lounge options offer an opportunity to generate ancillary revenue from business and First Class passengers. This cannot be underestimated when considering that, although making up only 12 percent of all airline passengers, <u>business travellers can account for as much as 75 percent of a flight's income</u> for some airlines.

So, local, seasonal and organic offerings offer a way to match passenger expectations of both their own and a carrier's responsibility. But they are also a way to woo passengers with exciting experiences and entice them back to air travel. According to Research and Markets, "the global market for inflight catering services is driven by...enhanced focus on choice, quality and consistency supported by innovation in bringing about the best quality meals onboard."

Going organic

To entice passengers across all classes back post-pandemic, a number of airlines are revitalizing their menus using innovative methods. Gourmet airline food, much like vegan, free-from and <u>halal offerings</u> (which cannot be organic) can provide airlines with a roadmap to meeting passenger expectations, enabling them to cater to a number of customer bases with growing voices in the industry.

For example, <u>Air France is reportedly</u> working with chefs to bring fine dining onboard, including exclusively organic children's menu items, for "La Premiére," the carrier's First Class. And as a number of carriers, <u>like Finnair</u>, move from a business model focusing on inflight retail to putting greater emphasis on <u>buying onboard</u>, there is potentially more room for personalization via food and drink channels. If passengers can buy items they particularly want on board, all the while contributing to a greener supply chain, the industry may be able to solve two problems at once.

Seasonal and local food in lounges and onboard

Seasonality, both onboard, and in airports is becoming an area of burgeoning growth for the travel catering industry. In fact, <u>a recent study identified</u> locally-procured food as a key market consideration. However, this is more often than not balanced against consumer expectations of readily available and diverse onboard and lounge offerings. The <u>demand for year-long availability of</u>, <u>say</u>, <u>frozen fruits</u> is forcing suppliers to reconsider the efficacy of sourcing and airline food preparation across their entire supply chain and what can be sustainably, and realistically achieved. Likewise, it is pressing carriers to re-evaluate what's most important to their customer base and business model.

For example, some airlines have been revitalizing their catering offerings with fresh, locally sourced ingredients which also cut down on transportation time and costs. Since 2019, Singapore Airlines has been using greens from AeroFarms. This is not only a vertical farm but one that's near Newark Liberty International Airport in New Jersey. The company also has plans to replicate this proximity at other major airports in the near future.

Other airlines have teamed up with celebrity chefs to design new menus and have been working with increasing regularity with local businesses. For example, <u>American Airlines brought Aurora</u> business owner Tamara Turner's Silver Spoon Desserts' onboard their domestic Premium cabins.

Meanwhile the Canadian carrier, <u>Porter Airlines, has selected onboard products</u> including tea, beer, wine, snacks, entrees and side dishes for new menus based chiefly on their locality, the use of quality ingredients and their focus on sustainability. In addition, <u>Alaska Airlines has partnered</u> with food and beverage providers and small businesses local to the Pacific Northwest, including Straightaway Cocktails, while passengers in Premium "Mint" Class onboard transatlantic JetBlue flights can also enjoy <u>newly added menu items including seasonal favourites</u> like clam soup and Burrata with baby beets.

But it's not just for the sake of sustainability that companies are making these changes. They can also be used as a creative driver to encourage positive associations with an airline's brand. Alongside local favourites, Emirates' <u>Business Class lounges</u> served mince pies, traditional Stollen cake, and spiced lady fingers during the Christmas season. First Class lounges also offered winter treats such as gingerbread profiteroles and dark chocolate salted caramel tarts.

Although it's undeniable whether it's a key driver or a by-product of these decisions, airlines and suppliers alike are more than conscious of the steps they need to take towards a greener future.

Sustainability

However, it's not just airline food packaging that can contribute to a buyers' vision of a greener future. The onboard food and beverage offerings themselves have an important role to play. There are now <u>a number of airlines including Delta and Japan Airlines</u> that allow passengers to opt-out of inflight meals to reduce both food and packaging waste.

Korean Air is also among carriers introducing <u>eco-friendly meals that can also help reduce carbon</u> <u>emissions</u> from a number of sources onboard while <u>All Nippon Airways</u>, is using bamboo shoots in inflight food. Grown in Nobeoka, they were developed to tackle the issue of abandoned bamboo groves. The airline also serves out-of-market rice in employee cafeterias.

<u>Tourvest retail services has announced</u> the launch of a new product range, available inflight, including products by Scrapples, an all-natural healthy snacks brand made using "wonky" fruit. And other Japanese carriers such as <u>ZIPAIR are innovating</u> even more with "meals featuring a protein-rich edible insect in powder form."

S-L-O (seasonal, local, organic)

Integrating "greener" options onboard (whether they are more seasonal, organic, or dictated by the seasons) has been proven by a number of carriers to be not only a viable option, but a potentially lucrative one.

Often, these decisions are made by a carrier to better cater to business and First Class passengers. Or it could be an attempt to promote sustainability and reduce waste by learning more about passenger expectations and desires onboard.

Whatever the reason, selecting seasonal, organic or locally-sourced (SLO) products presents an emerging area of onboard revenue generation with potentially massive upsides for the future of the food and beverage industry.

WTCE exhibitors with organic and seasonal solutions

As the main marketplace for airline and rail onboard services buyers, WTCE has an extensive list of exhibitors showcasing relevant solutions. These include:

Saveurs et Nature

"Chocolats de Pauline" is a unique, fully organic and committed brand. The business offers sustainable value by upgrading the premium chocolate segment with natural and organic products.

Paradies

Paradies GmbH offers high-quality bedding for a healthy and restful sleep. Made in Germany, the company offers innovative product solutions for hotels, airlines and ships including their "Softy" range

Castello Monte Vibiano

Pioneers of sustainability, in 2009 the company was the first farm in the world to be certified with zero CO2 emissions. The products are 100 percent genetically certified Italian, all-natural quality with natural-sustainable principles.

WTCE is taking place from 6-8 June 2023 at the Hamburg Messe. To find out more about the event or to register, visit <u>www.worldtravelcateringexpo.com</u>