

food

FOR THOUGHT
SERVED UP BY SSP THE FOOD TRAVEL EXPERTS

A PERFECT PAIRING

Minor International's Bill Heinecke
on partnership

NEW RETAIL FOR A NEW ERA

A fresh approach to convenience

MALAYSIA AIRPORTS

Hani Hussin talks about KLIA's
impressive F&B

TALKING TECHNOLOGY

How digital enhances the
customer experience

... plus news highlights from
around SSP's business


WINTER 2023

News and comment from around the SSP business



NORTH AMERICA

SSP has been awarded a contract with Colorado Springs Airport to develop a portfolio of nine concepts. The line-up will include local restaurants which celebrate the culinary landscape of Colorado, boutique concepts which address the unique needs of passengers, and national brands. Among these are local craft brewer Atrevida Beer Co., restaurant Colorado Craft from celebrated Colorado Springs chef Mario Vasquez and Einstein Bros. Bagels. The restaurant development is an important component of the airport's concourse modernisation project.

EUROPE

SSP's partnership with Scottish craft brewer, BrewDog has got off to a flying start with the opening of two bars. The first, which is located at the iconic Amsterdam Centraal station, is the brand's first in the Netherlands. A standout feature of the bar is a takeaway beer fridge, which serves what are described as 'train beers'. The second, at London Gatwick, offers guests a number of the special touches that make the brand famous, including 'press for beer' buttons, and other elements such as Zoom rooms, a photobooth and a game-zone.



ASIA PACIFIC

SSP has partnered with artisan café, bakery, patisserie, deli and cheesemonger Jones the Grocer for the first time to open at Singapore Changi Airport's Terminal 2. Extending over 6,600 square feet on two levels, the outlet is located in the Singapore Airlines check-in zone. The first Jones the Grocer opened its doors in Sydney in 1996 and there are now over 32 stores across the Middle East and Asia.

GLOBAL

SSP is to pilot a new carbon labelling initiative, working with Klimato, a company that started to pilot helping restaurants calculate, communicate and track the climate impact of food products. The programme is running at SSP's new outlets at Abu Dhabi International Airport. This is the first time Klimato carbon labelling has been used in a travel location and, if successful, SSP will roll out the processes more widely across its operations.



EUROPE

SSP is extending its presence in Spain with contract wins at Barcelona, Mallorca, and Menorca airports. The company will open a total of 11 new bars and restaurants across the AENA network. Among the brands that will be featured are international favourite Yo! Sushi, which will open at Josep Tarradellas Barcelona-El Prat Airport. At Palma de Mallorca, SSP will be operating Popeyes, an Olé Foodmarket, an O'Learys sports bar, Camden food co. and Upper Crust, and a bespoke new retail concept. SSP will also be bringing four new brands to Menorca Airport - Enrique Tomás, La Boutique Italian Food, a Pannus Café, and a brewery concept called Factory.



THE POWER OF PARTNERSHIP



*SSP and hospitality and restaurant group Minor International have worked together in Thailand for more than two decades. Minor's Founder & Chairman **Bill Heinecke** explores the advantages of combining local knowledge with global expertise*

In any relationship, it's essential that both parties have plenty in common. In the case of Minor and SSP, we're both driven by our understanding of customer demand and expectations. Our company cultures are similar – both our businesses are all about people. Both partners must be committed to the venture, and we've also both invested in the people on the ground who lead our operations.

It's also important that each brings something complementary to the table. SSP has brought a wealth of food expertise, knowledge of operating platforms and processes, as well as insight into global trends and a macro-perspective of the F&B sector. For our part, we at Minor have resources in supply chain management, logistics, construction, and labour supply and training.

We learn from each other, and, for example, if we launch a successful product downtown, SSP can launch it in the airport. And if for instance SSP develops insight into the use of digital POS around it, they in turn share that with us.

Each bolsters the other's reputation. As a trusted local operator, the scale of our operations in Thailand and our connections with local partners has helped raise SSP's profile with local airports.

Partnership is one of our core values. Our journey of expansion through strategic partnerships has been pivotal in achieving our growth objectives and when a partnership works, 'one plus one' can add up to much more than 'two'. Working with good local partners, or global partners who can help us navigate the market, know the key decision makers, and share our ambitions and goals, is a smart choice.

One of SSP's longest and most successful, its partnership with Minor dates back to 1995, when the two companies opened a food court at Don Mueang International Airport. Since that time, a shared passion for food has paved the way for the introduction of ground-breaking new ways of working and impressive new concepts. Today, the business has grown at a phenomenal pace to be one of the largest F&B operators in Thai airports, running around 90 units in nine airports across Thailand and employing more than 1,300 colleagues. The partnership operates a number of international brands including The Coffee Club, Bonchon and Dairy Queen, local hero brands such as Milch by Milch Japan and TumTum Zapp café, as well as bespoke concepts and SSP's own brands including Upper Crust and Camden food co.



THE DIGITAL DIMENSION

SSP's Group Director of Digital Propositions explains how the company is using technology to enhance the customer experience

Richard Fellingham, who joined SSP from high street coffee chain Costa earlier this year, says that speed and efficiency are a necessity not a luxury in the travel environment. But technology in food service is about more than just being faster. "Travel can be stressful. Technologies such as digital signage (that illustrate clearly what is available, how long an order will take and where to go to collect it) put customers in control of their time, therefore helping to relieve anxiety. Digital tools can make the journey easier for a diverse audience, who perhaps

need information in another language, or might want details on allergens or carbon labelling."

This doesn't mean that digital can replace the physical, according to Fellingham. "There are still plenty of opportunities to provide the personal touches which are so valued by customers, such as a warm welcome as a colleague hands over an order. We've even seen that when using digital aids, customers actually reward the personal service they do get with bigger tips, because the whole experience is so much better for them."

As well as making the customer experience better, new retail technologies can have considerable commercial benefits. "Clearly the more people we can serve in any one hour the better. And now we've done so much work on concepts such as order-at-table, self-checkouts and even our new frictionless stores, we can also see that average transaction values are significantly higher. The ability to recommend products and add-ons based on data insights makes it easier for customers to discover what they like and for us to upsell products they may not have considered.

AI is also starting to allow us to automate the selection of the best products to present to customers based on what they are putting in their digital basket. Data we're now collecting is enabling us to do some really clever things, such as around which specific products are most likely to appeal and should be put at the top of the list we offer."

Digital technologies can result in labour efficiencies, removing the need for tasks such as order or payment taking, allowing colleagues to focus on other customer experience-enhancing areas, rather than a reduction in staff numbers. "An increase in sales means our kitchens are busier, so we can think about having more staff working behind the scenes rather than front-of-house, making the unit much more efficient."

A strategic approach is needed as technology is rolled out, and Fellingham doesn't believe in technology for technology's sake. "It's important that we take a consistent approach across the business to get the most out of digital innovation programmes and to know that the digital propositions we use are working the best way for us at SSP, for our clients and for our customers. It's not a matter of just putting in a fancy bit of kit – we need to understand what kind of technology ratchets up the customer experience where, and in what categories."

For example, placement of technology in the customer journey is critical. In one of our stores in Copenhagen, we installed kiosks, but they didn't perform well. When we moved them to a more visible location, penetration went up from 20% to 60%. If you get it wrong, technology is just a hinderance. If you get it right, it adds real value."

The power of AI

Technology that's making a difference to the airport experience is now up and running at two frictionless, checkout-free stores at Oslo Airport and Dublin Airport.



Customers tap their payment card as they go into the store, pick up what they want, and are charged automatically as they leave.

There's no need to scan barcodes, interact with sales staff or download any apps. The technology behind the new store concept comes from two leading players in the field. Zippin's AI platform provides a combination of camera technology and weight-sensor-enabled shelving to detect the items customers have picked up, while payment processing technology experts, Planet, created the payment integration to bring the frictionless walk-out process to life.

At Dublin Airport the frictionless store is a food and beverage convenience unit branded as 'Dublin Town To Go'. The concept at Oslo Airport is a Point convenience unit.





Fresh Salads
RUSTIC BAKES

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Supermu Kashi

"MORE FRESH OR
JUST WITH GREAT
INGREDIENTS, THIS IS
THE KIND OF FOOD
YOU WANT TO EAT
BEFORE YOU START
A JOURNEY"



AN ENHANCED EXPERIENCE



***Hani Hussin**, Senior General Manager, Commercial Services at Malaysia Airports offers her thoughts on KLIA's impressive food and beverage operations*

WHY IS F&B SUCH AN IMPORTANT PART OF THE MIX AT YOUR AIRPORTS?

Airports have become more than just transportation hubs; we strive to provide a positive experience for passengers. F&B options that cater to diverse tastes and preferences, offering a variety of cuisines and dining experiences, are essential, and they help passengers relax and unwind before or between flights.

With evolving travelling needs and expectations, avid travellers are expecting more out of airports today. Access to a range of F&B outlets encourages them to spend their time and money within the airport premises rather than seeking options outside. This increases the airport's commercial potential.

F&B outlets also generate significant revenue for airports through rentals, concessions, and revenue-sharing agreements. They often contribute a substantial portion to an airport's non-aeronautical revenue.

DO TELL US SOMETHING ABOUT YOUR NEW PLANS FOR F&B?

F&B is one of the pillars in our 'Commercial Reset' plan and was the first to complete the mobilisation phase, in line with the recovery of passenger movements at our airports. The food courts in KLIA (Kuala Lumpur) and LGK (Langkawi) were relaunched as food garden concepts, which was a marked enhancement in ambience when compared with the conventional food court experience.

Partnerships with leading operators like SSP have enabled the F&B offerings to be refreshed. To elevate the profile of the airport to a lifestyle destination, we secured many renowned international F&B brands including Hard Rock Cafe, Jamie's Pizzeria, 4Fingers and Taco Bell. The arrival of these international brands at our airports has benefited the local community as well.

For example, 4Fingers in Kuching International Airport is the only international Korean fried chicken restaurant in Sarawak and has been a big hit with the locals there.

In addition to international brands, local champions are also celebrated, and we've seen the opening of downtown favourites such as Jibby Chow, Serai, and soon, Chef Wan's cafe. A strategy adopted for F&B in KLIA T2 enables the master concessionaire to strategically curate the mix of the F&B brands to create a complementary and diverse offering for the designated areas in the terminal. This ensures that we cater to all passenger profiles and maximise footfall. The master concessionaire will also be able to respond quickly to market trends and changing consumer preferences, making strategic adjustments to the tenant mix to stay competitive.

WHAT ARE YOUR PLANS FOR LOUNGE OFFERS, AND WHAT HAS BEEN THE EVOLUTION IN THIS MARKET?

Malaysia Airports is future-proofing its lounge strategy for its major airports in Malaysia as well as Istanbul Sabiha Gokcen International Airport in Turkey. The strategy focuses on host airline lounges while also providing an avenue to renowned lounge operators such as TFS to run private lounges catered to other airlines, alliances, and the public. With vast experience managing lounges around the world, these operators provide an elevated customer experience for their guests.

WHY IS IT IMPORTANT TO INCLUDE BRANDS THAT ARE NEW TO THE AIRPORT ENVIRONMENT IN THE MIX?

New brands in airport malls are important for creating a vibrant, competitive, and appealing environment that benefits both the airport and travellers. It enhances the overall experience for travellers by providing them with a variety of options to choose from, catering to different preferences and tastes. Besides driving revenue, they contribute to the positive image of the airport.



THE RIGHT TIME FOR FOOD-LED RETAIL

Today's travelling consumer needs a new type of convenience retail offer

SSP has been operating food-led convenience stores in travel locations for decades. The company runs more than 200 retail units globally, working with leading retail brands including Marks & Spencer, and in its last financial year, retail sales generated approximately 15% of its revenue.

But the retail environment is shifting, and SSP's consumer insights have pinpointed game-changing evolutions in the way customers think and behave when they shop for food on the go. Travellers who don't consider the eating experience as a crucial aspect of their travel experience prioritise food and drink that is quick and convenient. In addition, as many airlines continue to cut back on onboard service, customers also want products that are easy to take onto a flight. With this in mind, some are choosing to purchase their food and beverage at a convenience store, but they still expect the same value, high quality, and freshness they would get on the high street.

When it comes to how travellers buy their food, the lines between convenience retail and F&B are blurring. A one-stop-shop where they can pick up travel essentials as well as something to eat will have considerable appeal.

SSP's Point brand, which was created in 2006 in Norway specifically for the travel market, has always provided an attractive blend of convenience and food items. With SSP's expertise in F&B, it has featured a strong freshly prepared hot and cold food offer since day one.

Now the brand is being further developed and rolled out across more territories, and a new design will make its debut in the new year. Crafted to attract the contemporary travelling consumer, the pristine new look and feel will feature fresh colours and modern natural finishes, taking a different tack from the original Scandinavian aesthetic, and making it ideal for the international market. The addition of digital elements such as eye-catching digital signage and self-checkout facilities will make it even easier for passengers to 'grab and go'. Local products and foodie souvenirs such as Norwegian salmon at Oslo help to create a sense of place. Easily adapted, the brand can work as a small convenience kiosk, or a larger store serving hot food.

Earlier this year, SSP won contracts to open one Point store in Tenerife, two in Zurich and seven in Bangkok. But its plans don't end there, and Point is a brand that's likely to be a hit in many travel locations in the future.