A Customer View

SSP Food Travel Insights Survey

August 2023

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Background

At SSP, we have always understood the importance of supporting business decisions with sound market understanding based on strong empirical data. Our insights team recently conducted a project called the 'Food Travel Insights Survey', the largest customer survey in its history, interviewing 18,000 guests across 25 markets, collecting around three million data points. We partnered once again with Clear from the Saatchi group - the research consultancy that has worked on this study since its inception in 2007. Our research covers topics from digital, to sustainability, health and wellness, and more generally post-Covid-19 attitudes, providing an insightful view of customers' preferences and what is important to them when buying food and beverages in travel settings, as well as how this differs by consumer segment, geography and channel.

"This piece of work demonstrates our curiosity and commitment to really trying to understand our customers. The tangible nature of the insights we've collected and the work we're doing as a result means the business decisions we make and the propositions we create are firmly rooted in the needs of our customers."

Angela Moores

Chief Customer Officer,
SSP Group

"Although bigger isn't always better, the scale of this research means our results are more robust and gives us greater confidence in how we respond to them."

The history of SSP's study

Our research has painted a detailed picture of the attitudes and behaviours in a dynamic market for over 15 years. Here are some snapshots from our findings:

2007

- All customer segments exist in all markets just in different proportions
- There are more similarities than differences between customers in these markets

2010

- Customers have become more value conscious – they look for more meal deals and average spend has fallen as a repercussion of the 2008 financial crash
- The airport experience has improved

2013

- The industry has raised the bar when it comes to F&B in travel
- There is more engagement in what consumers expect from travel hubs
- Technological improvements have made customers more demanding in terms of the information they expect

2015

- Time, product offer and price are core customer needs
- Convenience and familiarity are key influences on F&B outlet choice

2018

- Customers are demanding even better quality food and more of an experience
- There is an increased expectation for food service to be quick and easily available

Then and now

In 2023, what's the same

- There are more similarities than differences across countries
- Broader trends permeate F&B in travel
- Time, space, convenience, multi-tasking and value are paramount concerns

What's different

- Consumers are increasingly reliant on digital, expect to receive information instantly and for things to happen seamlessly
- Wellbeing and sustainability are growing in importance, but price, convenience and quality remain stronger drivers to purchase

Objectives of the 2023 research

1. To identify the key trends in travel F&B and how the travelling consumer has evolved since Covid-19

2. To define a new spectrum of customer segments, their size and their location, and understand what is important to each, as well as to enable us to cluster locations from multiple markets to identify common traits and opportunities

3. To understand and identify where interest in travel F&B has grown most significantly, as well as the brands that work best in these markets and why

4. To inform the development of brands that reflect the wants and needs of the modern traveller

A new customer

SSP's study formed the basis to define seven different key customer segments according to their unique attitudes and behaviours. All of these segments exist in all markets, and we've seen that there are more similarities than differences between markets.

Understanding these segments is essential in order for us to respond and meet the needs and behaviour of the modern traveller.

SEGMENTATION

These segments are defined by...

- **Attitudes to food/drink in transit**
- **Attitudes to air travel & airport travel experience/strategies**
- **Attitudes to rail travel & stations**
- **Attitudes to food/drink**
- **Attitudes to life**

The seven types of travelling customer

Our latest research identified seven separate types of customer. Here are three examples:

Aspirational Foodie

Aspirational Foodies want to see choice and explore new options, but also want to keep a close eye on what they're spending. They favour 'local heroes' and independent brands, and issues such as sustainability and wellness matter to them. They are likely to be middle-aged, with a good income, and are comprised of an even number of men and women.

Mainstream Fans

Mainstream Fans seek the comfort and reliability of mainstream and much-loved brands. They possess less disposable income and look for foods that the whole family will enjoy and offer great value for money, with sandwiches and burgers being among their favourite choices.

Frugal Eaters

Frugal Eaters are price sensitive, and will prioritise cheaper F&B options over service experience. Frugal Eaters look for meal deals and want to be served as quickly as possible. They don't believe their eating experience will add to their travel experience and would rather spend their money on other things.

Travel nuances

The mindset of customers in the travel space is very different to the mindset of high street customers. The stress of travelling, the pressure of time and the complexity of the environment all play a part in changing the way consumers feel, think and behave. We have been able to identify significant drivers of customer behaviour when choosing F&B in a travel environment. These are the main differences between our operating environment and that of the high street, and we refer to these as 'travel nuances'.

One of the largest travel nuances is 'time' (e.g. how long will it take to be served, how long is the queue). Our customers are under greater time pressures than they would be on the high street. Speed of service, ease of portability and convenience are important when choosing where to eat, and this is something we consider when creating a brand's proposition.

“Travel nuances are the main differences between our industry and the high street. Our ability to quantify the impact of these travel nuances has allowed us to tailor our propositions to meet the needs of our customers.”

Angela Moores

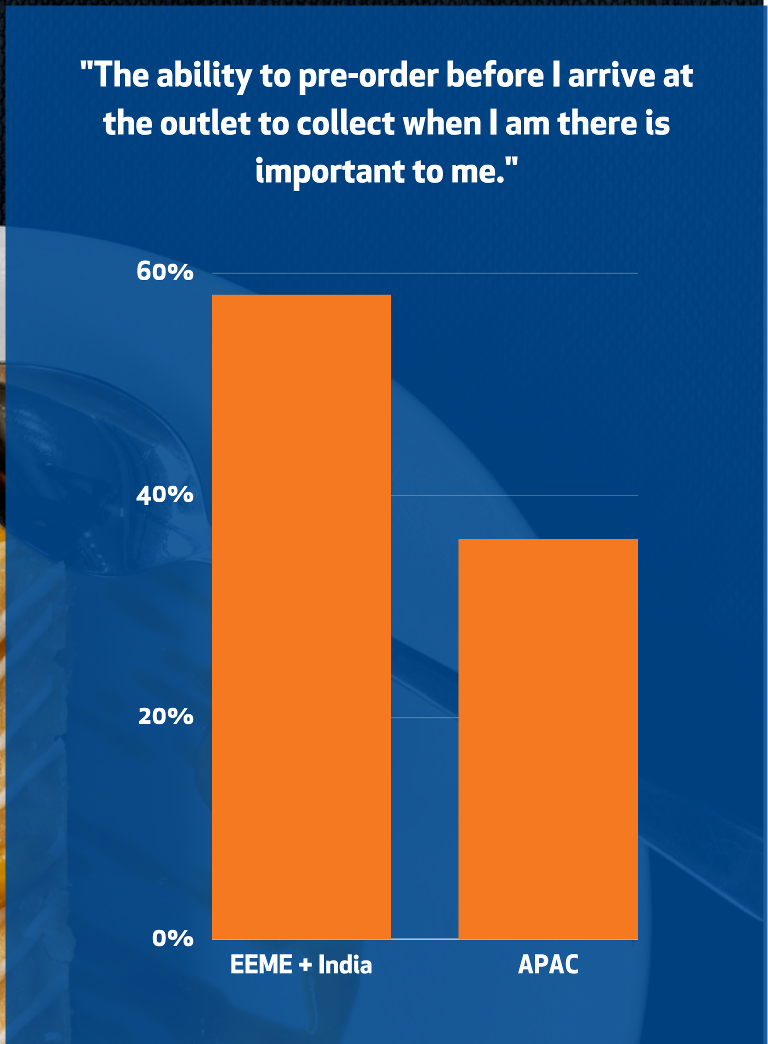
Chief Customer Officer at SSP Group

Five global trends

It goes without saying that we have seen huge shifts in consumer behaviour since Covid-19.

1 Consumers that are eager to travel now see F&B as an integral part of their holiday experience

Our research revealed that over half (52%) of leisure consumers see eating and drinking at an airport as an essential part of their holiday experience. What's more, as travel has returned to 'normal', 83% of travellers now say they're more likely to purchase food and beverage in the airport. Food and drink options that reflect consumer tastes and needs are therefore essential to take advantage of this increased desire to engage with F&B during their travels.



2

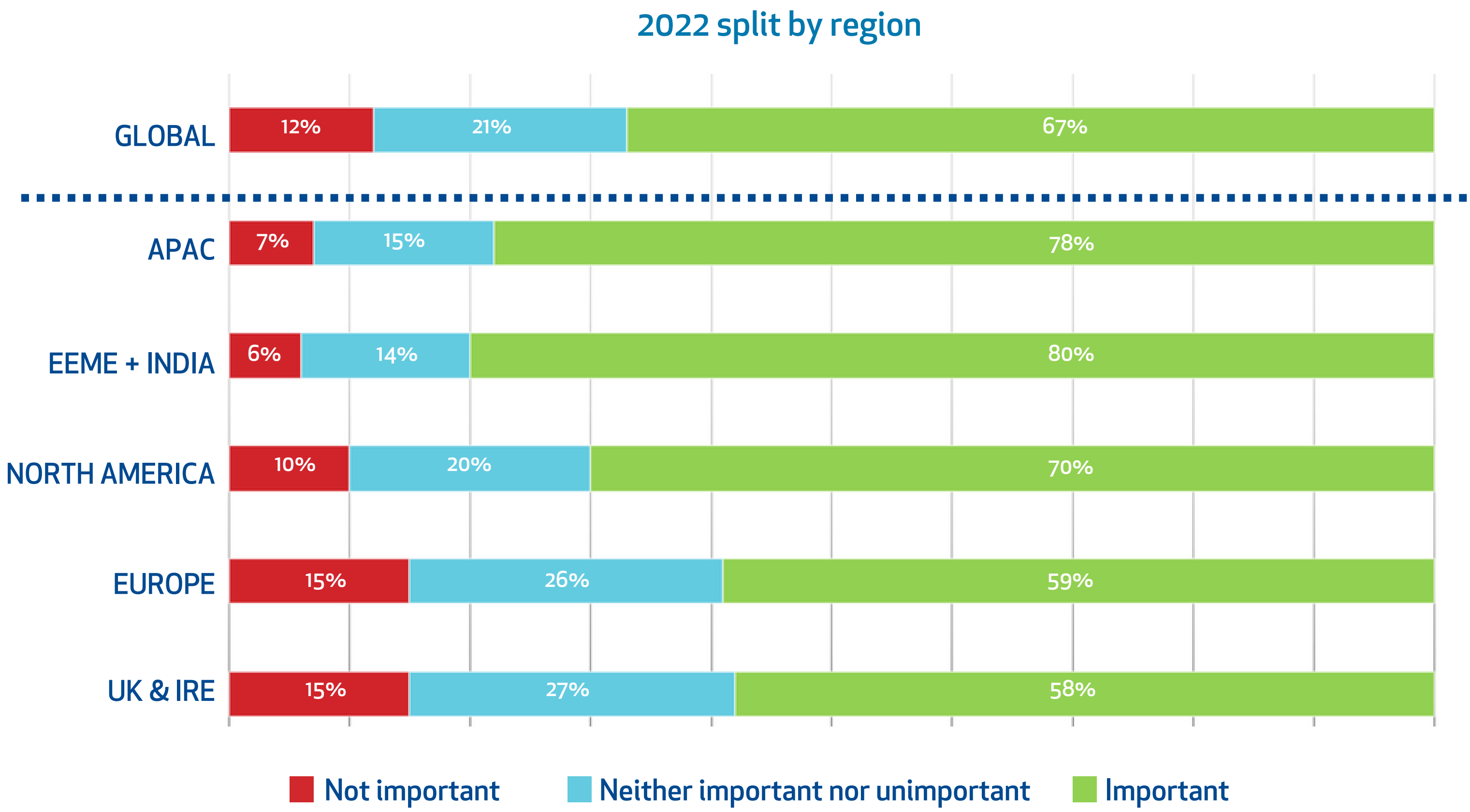
There is a continued increase in digital competency across all demographics. Digital services are important to customers to simplify their journey

1 in 5 travelling consumers want to be able to order digitally. This desire is particularly strong in the EEME & India and APAC regions where 36% and 29% respectively said digital F&B order options were important to them during their travels. Customers are looking for ease, and digital is seen as something that can simplify the journey. Using digital ordering systems like OAT (order at table) help to overcome 'travel nuances' of time and space and give them back control.

3 Sustainability and wellbeing have grown in importance to customers

1 in 5 travellers say they choose more ethical or sustainable options. Globally, more than two thirds state healthy F&B options are important to them when travelling. The desire for healthy options is particularly strong in EEME & India, where 80% said a healthy choice was important, followed by 78% in APAC and 70% in North America. However, customers are also looking for value and quality, so these factors must play a strong part in the mix to entice, which is why healthy product sales are not entirely reflective of customer intention.

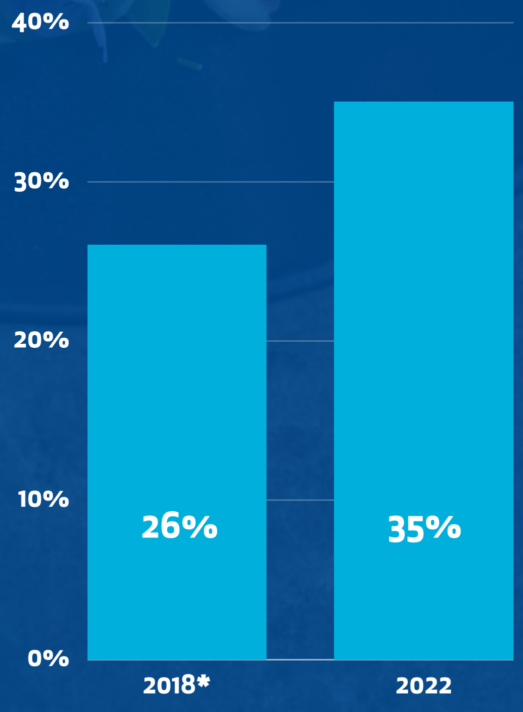
Importance of healthy food and drink options when travelling



4 It remains important to have a tiered offer approach to pricing

We are seeing the economy recover in a k-shape where many people are affected by the cost of living crisis on different levels. As the global crisis bites, more customers say it's important that they get value for money. A third say this is now a key motivation when choosing an F&B outlet. However, 40% say they're willing to pay more for the best quality food and drink and it is important that we have products that cater for customers' different price needs.

Importance of food being reasonably priced 2018 vs 2022

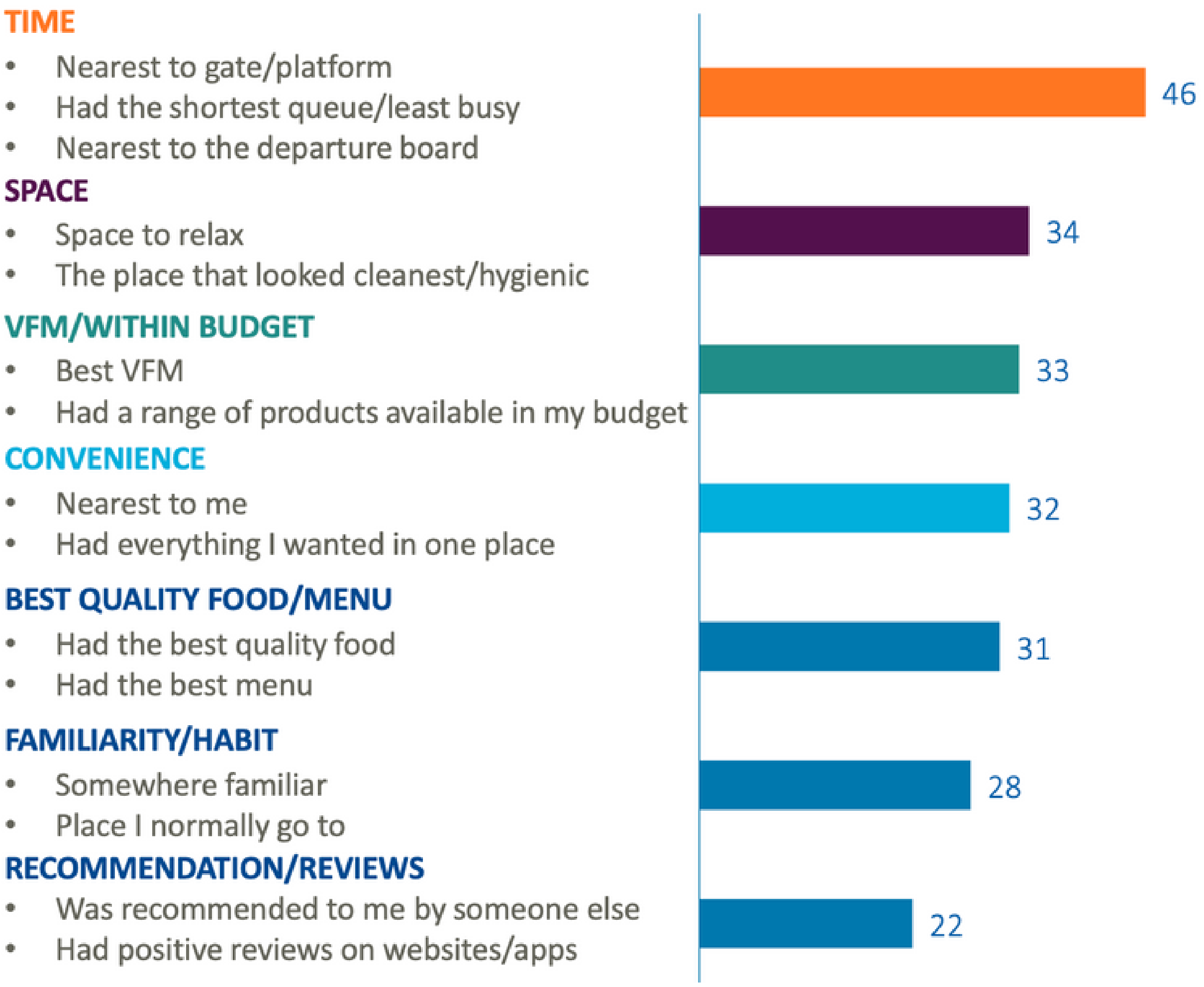


*Different sample groups and country mixes

5 There is still work to be done on closing the gap on the high street

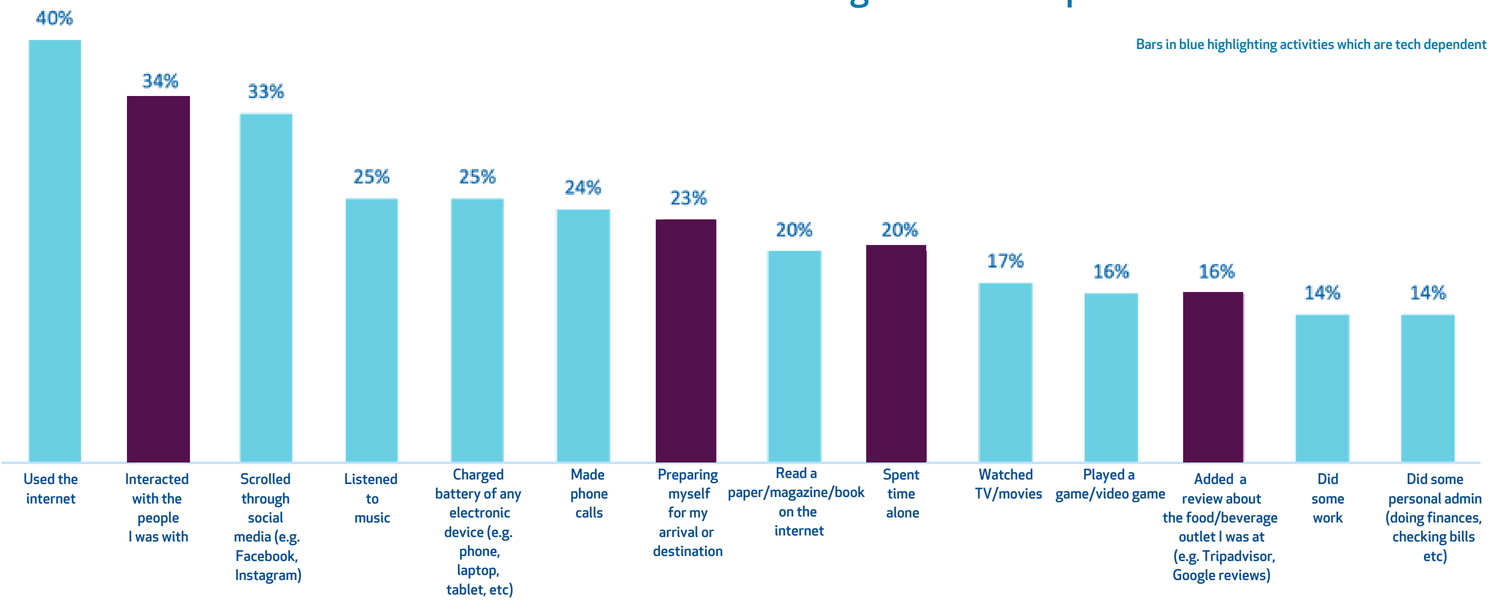
The travel sector has to operate in a more complex environment and customers have a heightened sense of self; making some customers more stressed and others more indulgent.

Motivations for selecting F&B outlet on last occasion



Customers are more likely to use the internet than talk to someone while eating

Activities done whilst consuming F&B in an airport



Source Q49a – What did you do at the same time as having something to eat/drink?

Contact us

This whitepaper features selected extracts from SSP's latest 'Food Travel Insights Survey'.
For more details on this extensive study, please contact: partnerships@ssp-intl.com