

Example: Medium Haul Buy-on-Board

Increases revenue by USD \$27M annually at 60% gross margin.

Airline offers sandwiches and hot meals at USD \$6, \$10 and \$12. All available pre-order and on-board.

- Over 500 +5 hours flights per day, 200 seats, and 79% load factor.
- Catering boarded at 30% of PAX without pre-orders at USD \$2.50 cost per meal.
- Sixty percent (60%) book tickets on-line and 30% check-in via web or kiosk.
- Average purchase price of USD \$9 and \$3.50 in cost.
- Pre-order take rate of 10% and slight lift in on-board take rate.

Coach Class

Coach Class	Summary			Pre-Ordered Meals				BoB Meals			
	PAX	Meals	Margin	Meals	Revenue	Cost	Margin	Meals	Revenue	Cost	Margin
W/O Pre-ordering	28,756	8,627	\$ 24,155	-	\$ -	\$ -	\$ -	6,901	\$ 41,409	\$ 17,254	\$ 24,155
With Pre-ordering	28,756	11,474	\$ 41,020	2,847	\$ 25,623	\$ 9,965	\$ 15,659	7,246	\$ 43,476	\$ 18,115	\$ 25,361
Difference		2,847	\$ 16,864	2,847	\$ 25,623	\$ 9,965	\$ 15,659	345	\$ 2,067	\$ 861	\$ 1,206
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- 1 Twin benefit of higher revenue and higher gross profit from premium meal sales.
- 2 Consistent presentation lifts on-board take rates by 5%.