

# F&B Sector Overview

Prepared for: Restaurant Association of Singapore

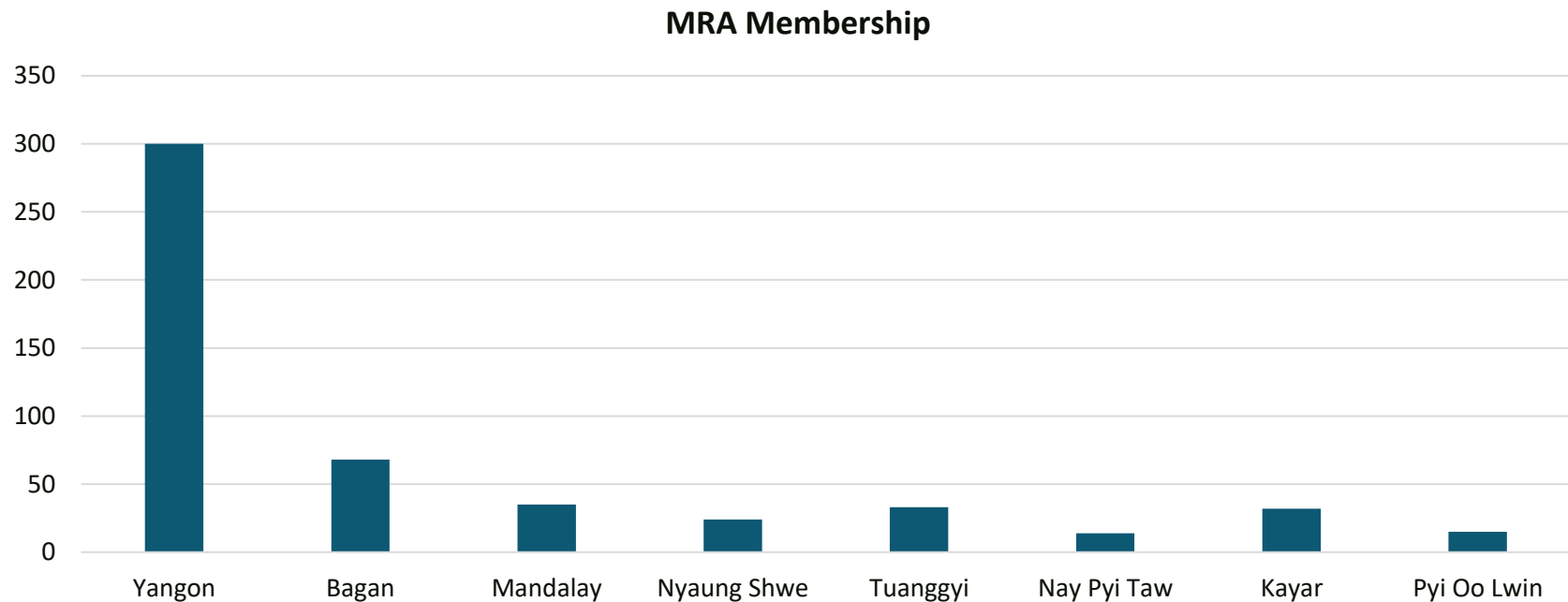
Date: March 21, 2017



## Restaurants Overview

# Over 4,000 restaurants are registered under the Yangon City Development Committee

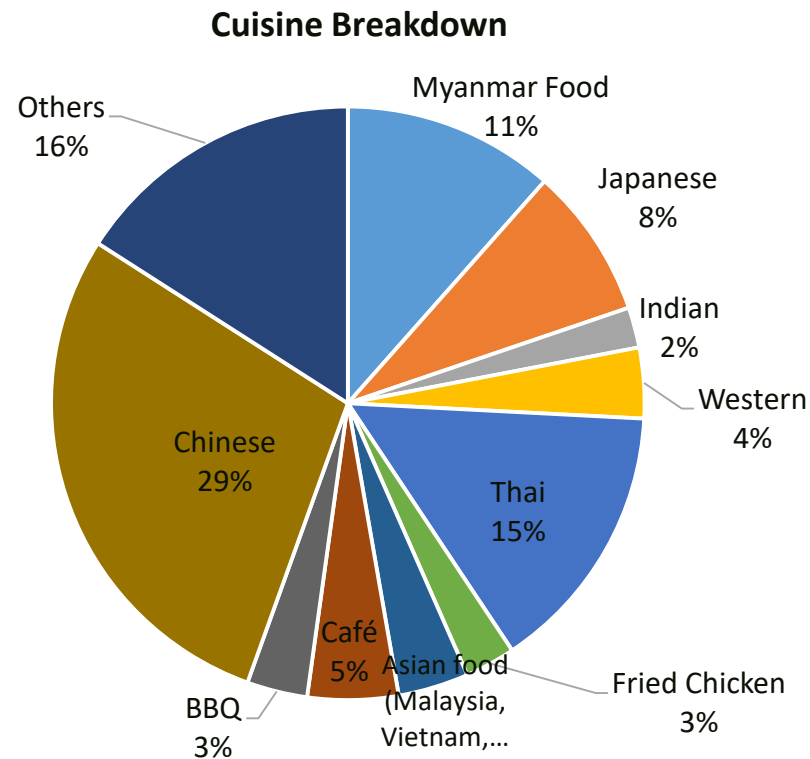
- The City Development Committee grants business restaurant licenses.
- Over 2,000 restaurants in other cities are registered their respective City Development Committees.
- Operating restaurants in Yangon are registered in relevant restaurant association for potential business opportunities.
- In Yangon, the Myanmar Restaurant Association (MRA) represents 300 members and 200 members from other cities.



Source: Myanmar Restaurant Association

# Chinese restaurants represent the highest share of the restaurant market

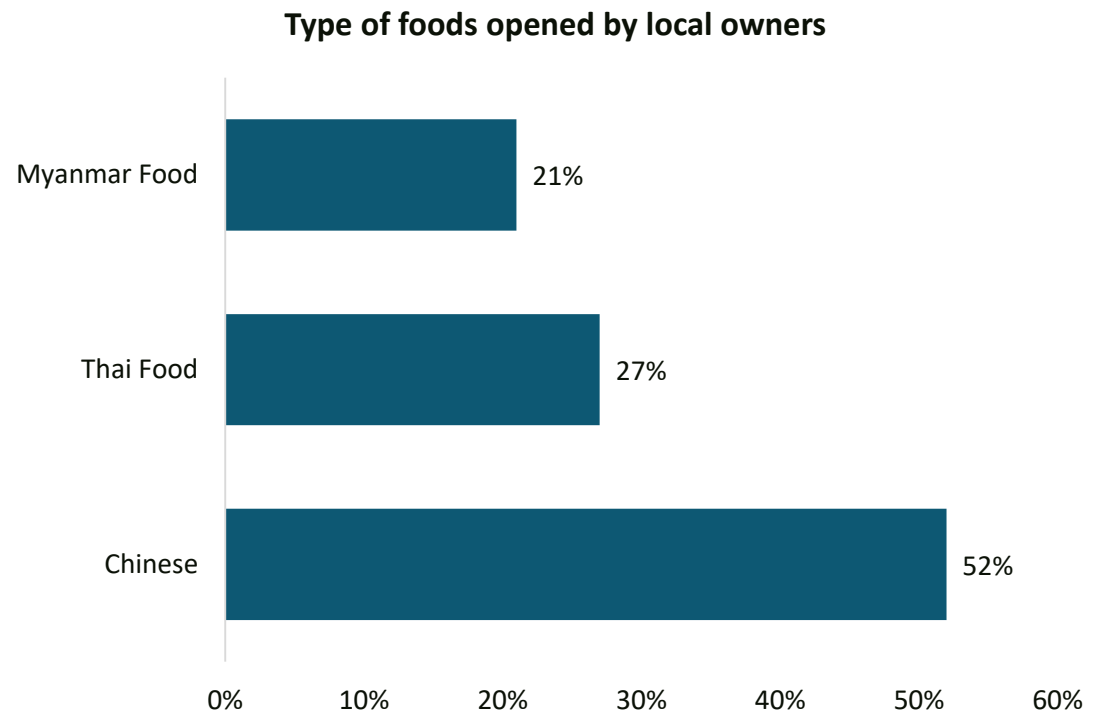
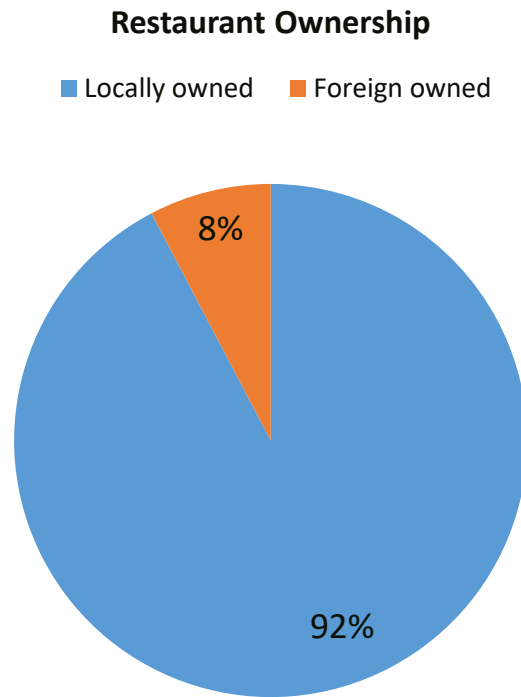
- Due to the cultural diversity and historical influences of neighbouring countries, the majority of restaurants in Yangon are Chinese restaurants, which is almost one third of the total restaurants, following Thai and Myanmar restaurants.
- In recent years, a number of foreign and European restaurants have entered the market, such as Mahlzeit and others.
- Almost half of the restaurants in Yangon are mid-range price level restaurants.



Source: Myanmar Restaurant Association

# More foreign business restauranteurs have entered the market in recent years

- Only about 8% of restaurants in Yangon are foreign owned.
- The vast number of local owned restaurants are mainly Chinese, Myanmar and Thai restaurants.
- The minority of foreign restaurants open European restaurants, Korea and India restaurants, according to the statistics from Myanmar Restaurant Association.



## About 7% of restaurants closed down the operation

- There is no formal mechanism for tracking restaurants closures.
- According to the MRA, about 7% of their members have ceased operations in 2016.
- Interviews with restaurant owners revealed that major causes of closed restaurants can be attributed to increased rental cost and poor management oversight.

# Customers - Dining Out Trends Survey

# Tractus Asia conducted a mini survey to provide insight into Yangon's dining out trends

- We surveyed over 130 diners in Yangon to understand their dining out preferences.
- We asked about common dining out, such spending per visit, frequency for dining out, food preferences, and how they pick their restaurants.
- Some questions allowed for more than one choice.

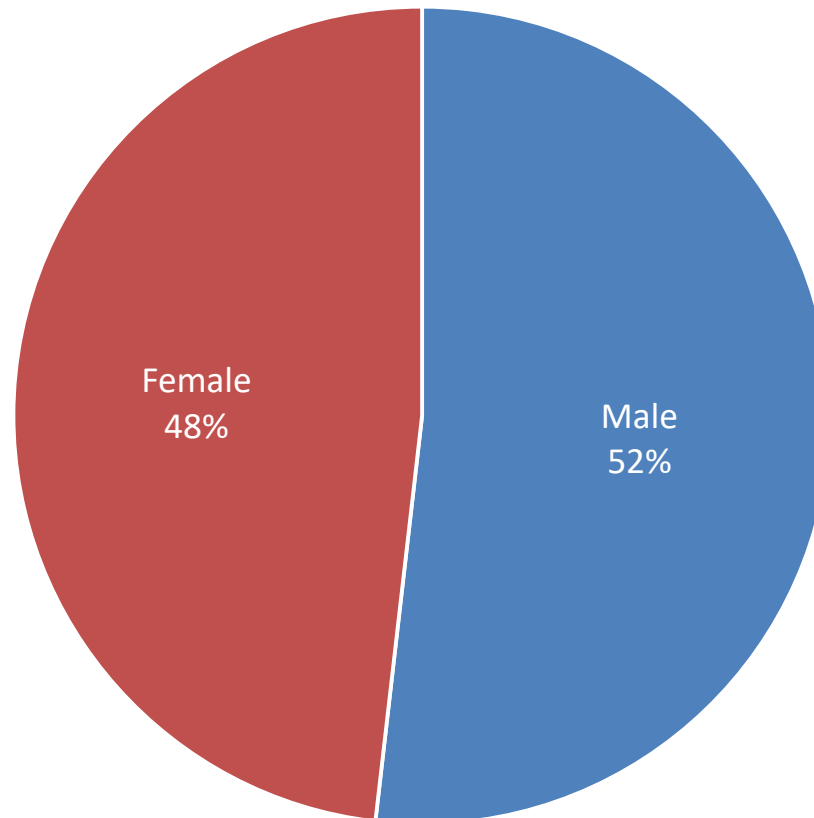
Demographic highlights	Nearly half the sample size are aged 21-39
Spending habits	Forty percent of responders (majority of sample) spend SGD 6–10 on food when dining out.
Dining out frequency per week	Slightly over half the respondents, 54%, eat out 1-3 times per week.
Food chosen	The majority of people choose Myanmar, Chinese, and Thai food. (respondents could select multiple cuisines).
How are restaurants chosen	Major decision factors include quality of food and location when deciding on a restaurant location. (respondents could select multiple cuisines)

*Note: Results are based on a small sample pool of respondents, and should be not used as conclusive, or to determine investment decisions.*



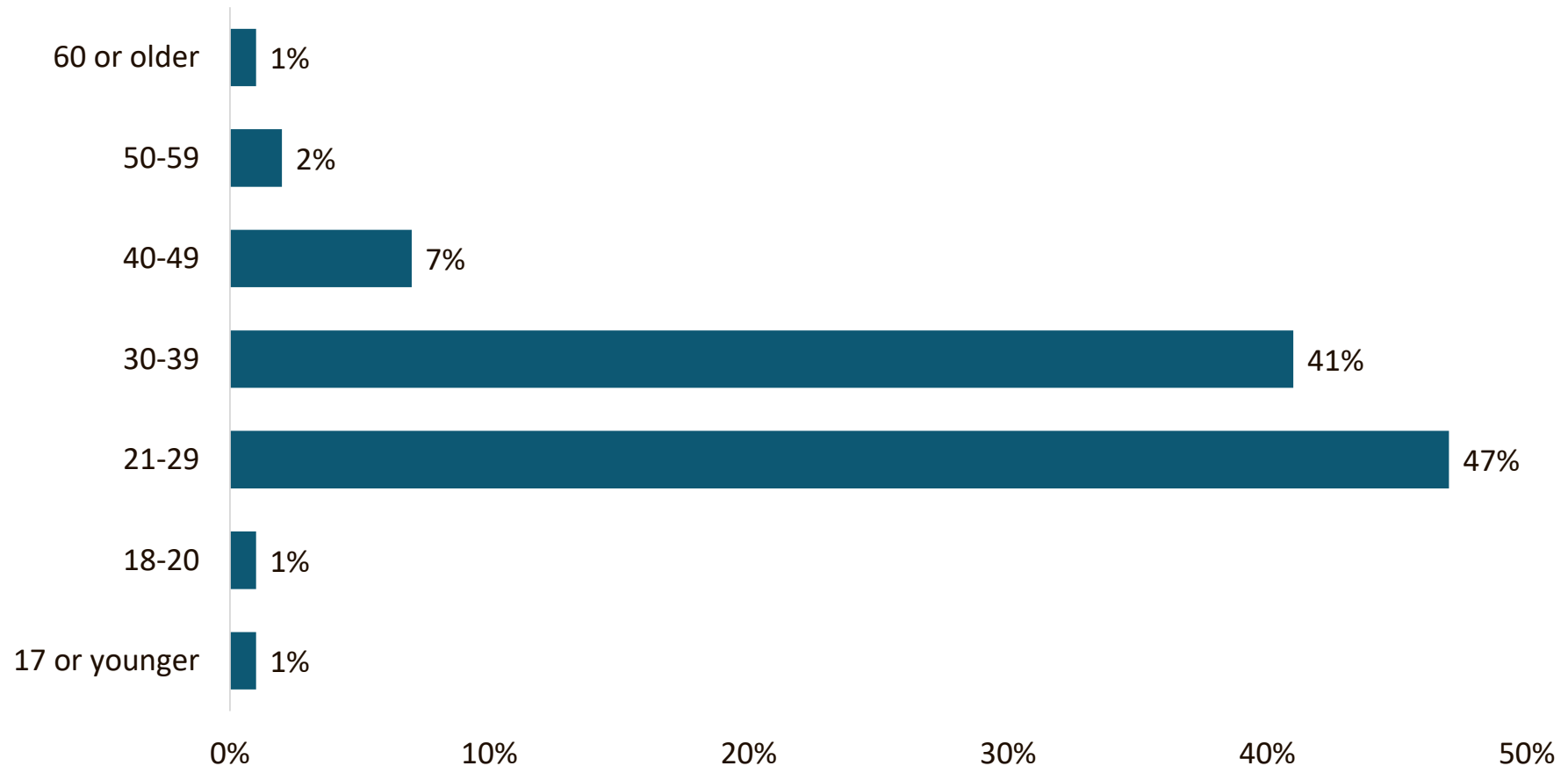
# Respondents are split almost evenly between genders

Are you male or female?



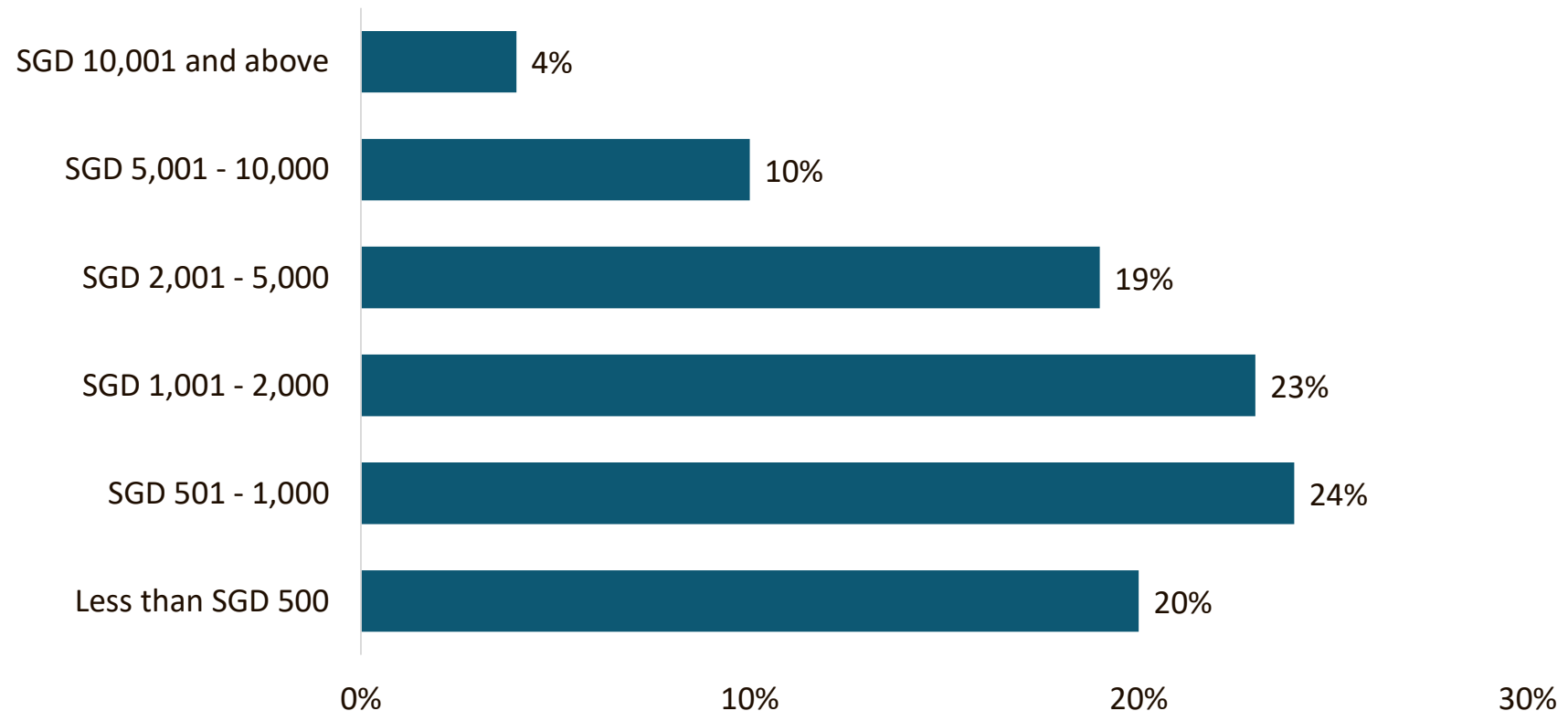
# Almost half of the respondents are aged 21-29, with 30-39 age group closely behind

## What is your age?



# Nearly half of respondents earn between SGD 501 and 2,000

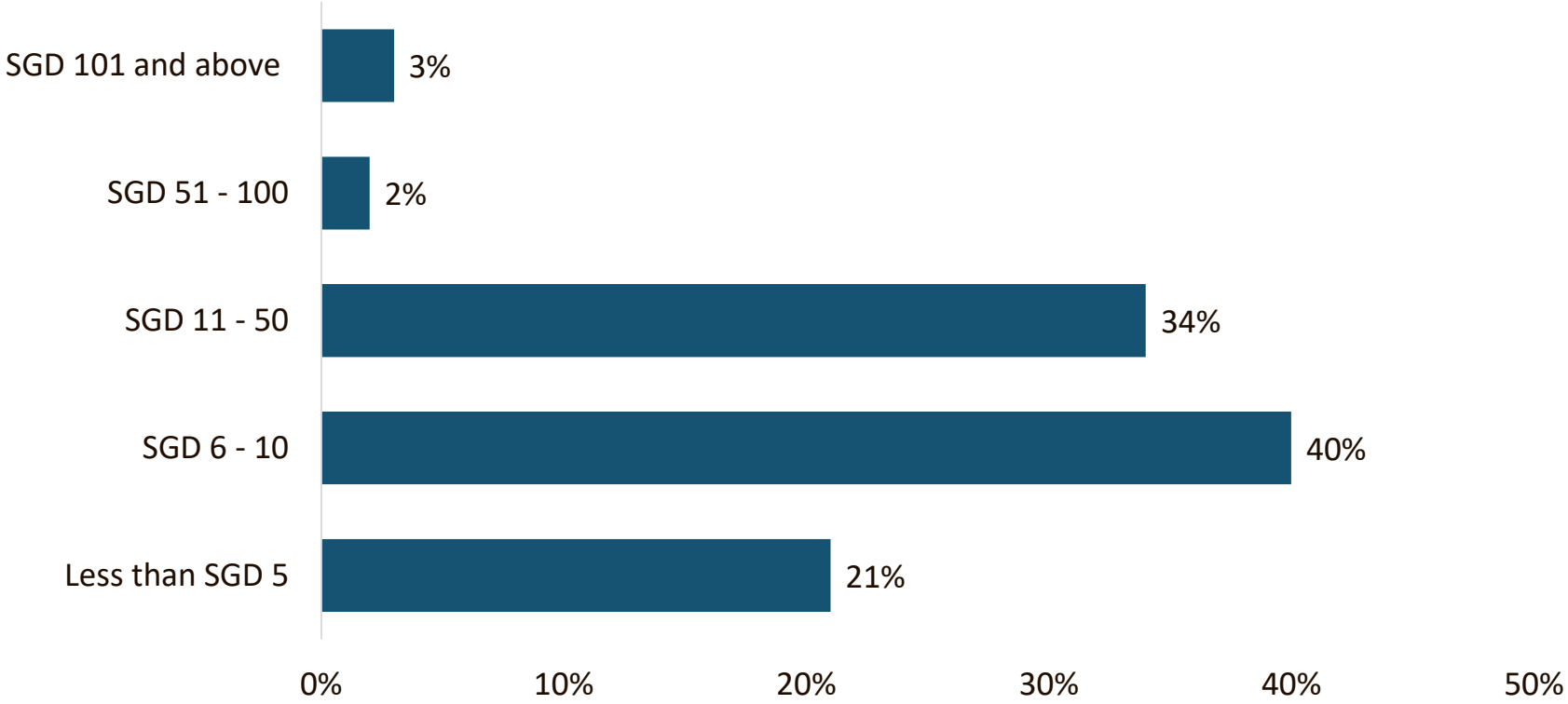
## What is your monthly income?



*Note: Assumes 1 SGD = 1,000 MMK*

# Few respondents spend above SGD 51 and when dining out

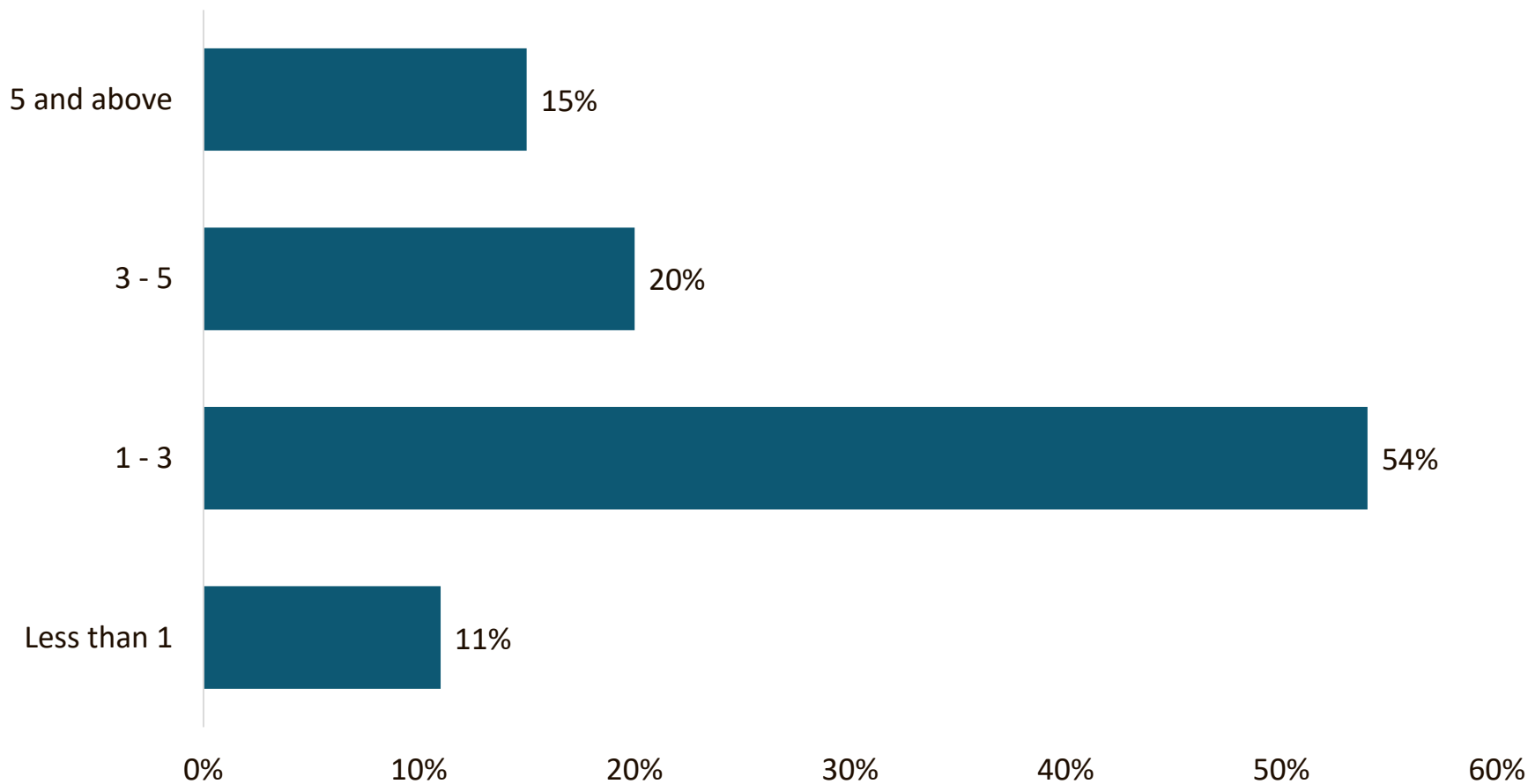
How much do you typically spend on food when you eat out (per time eating out)?



Note: Assumed 1 SGD = 1,000 MMK

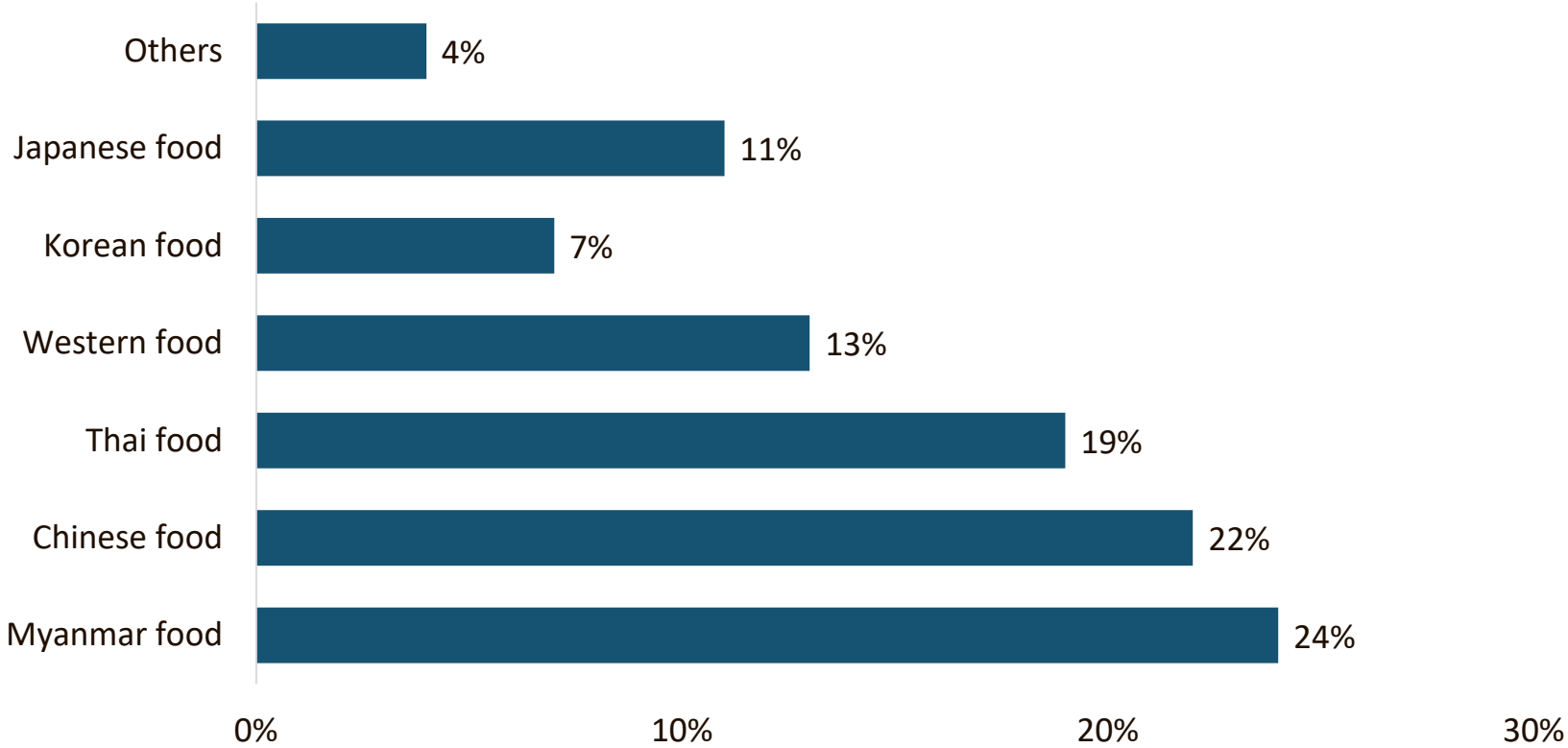
# The majority of people regularly eat out 1-3 times per week

How many times do you eat out per week?



# Myanmar, Chinese, and Thai foods are the preferred choices

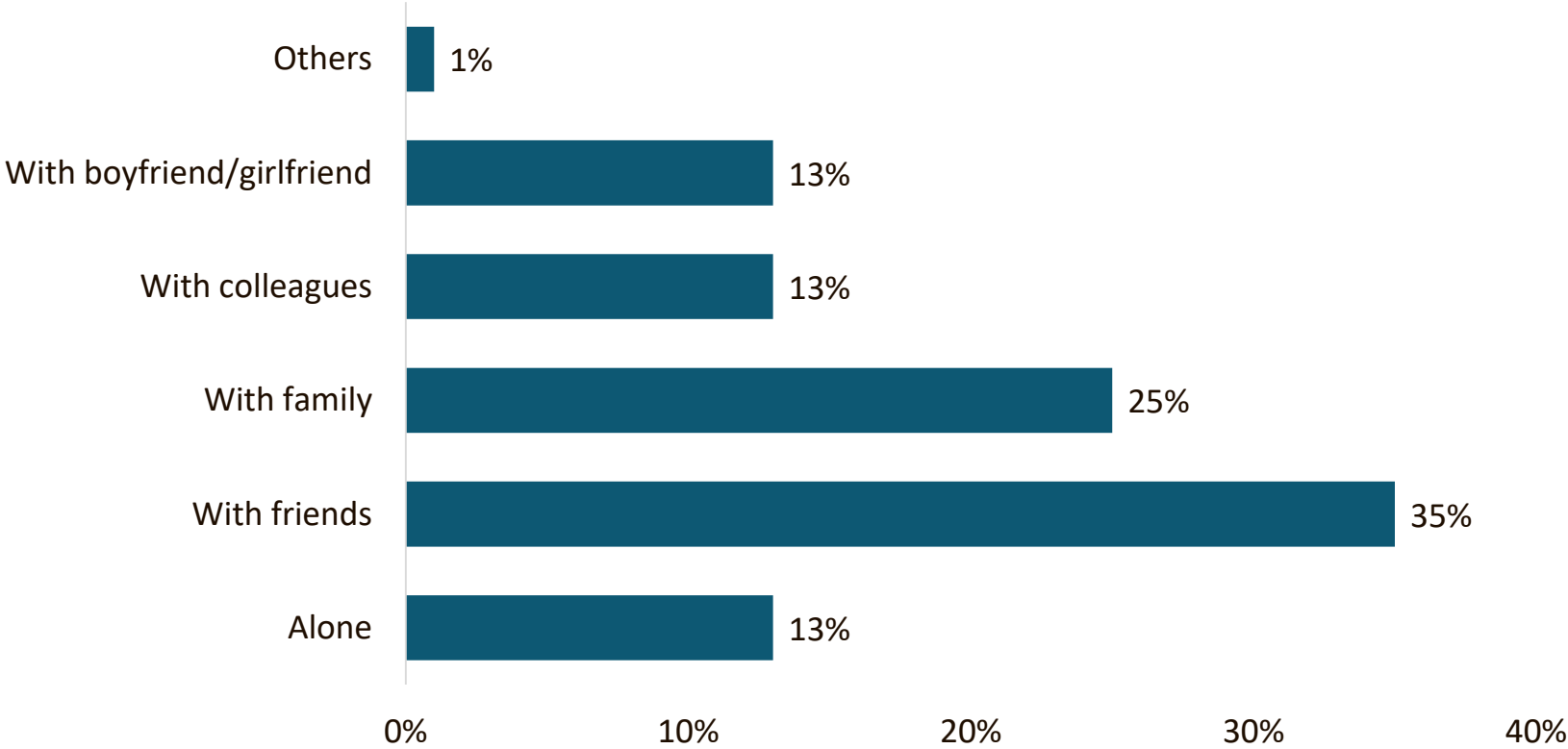
What type of food do you usually prefer?



*\*Respondents can select more than one answer*

# Most of the respondents usually eat out with friends

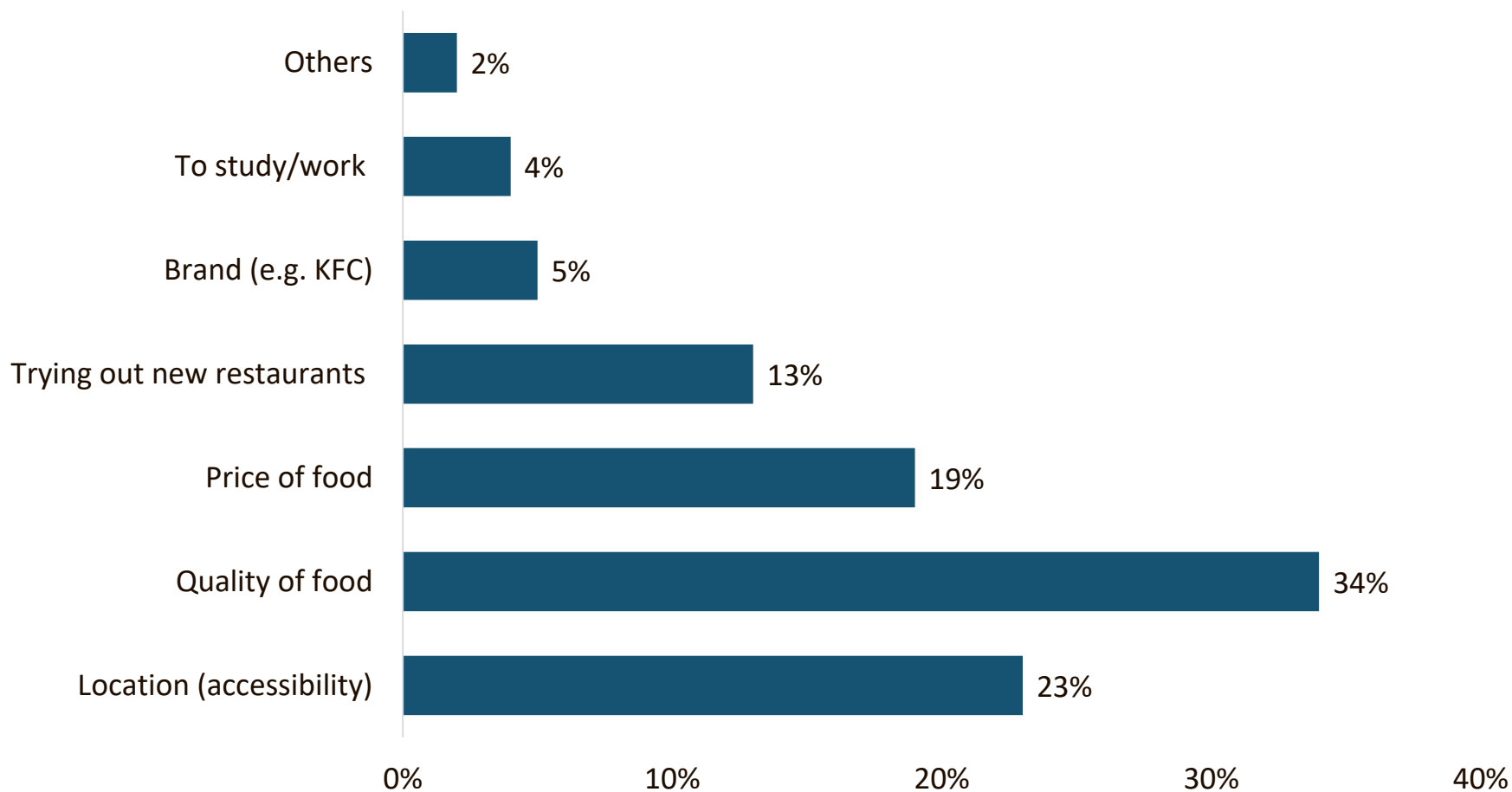
Do you usually eat out alone or with others?



*\*Respondents can select more than one answer*

# The quality of food usually impacts diners choice when selecting a restaurant

How do you choose the restaurant when you eat out?

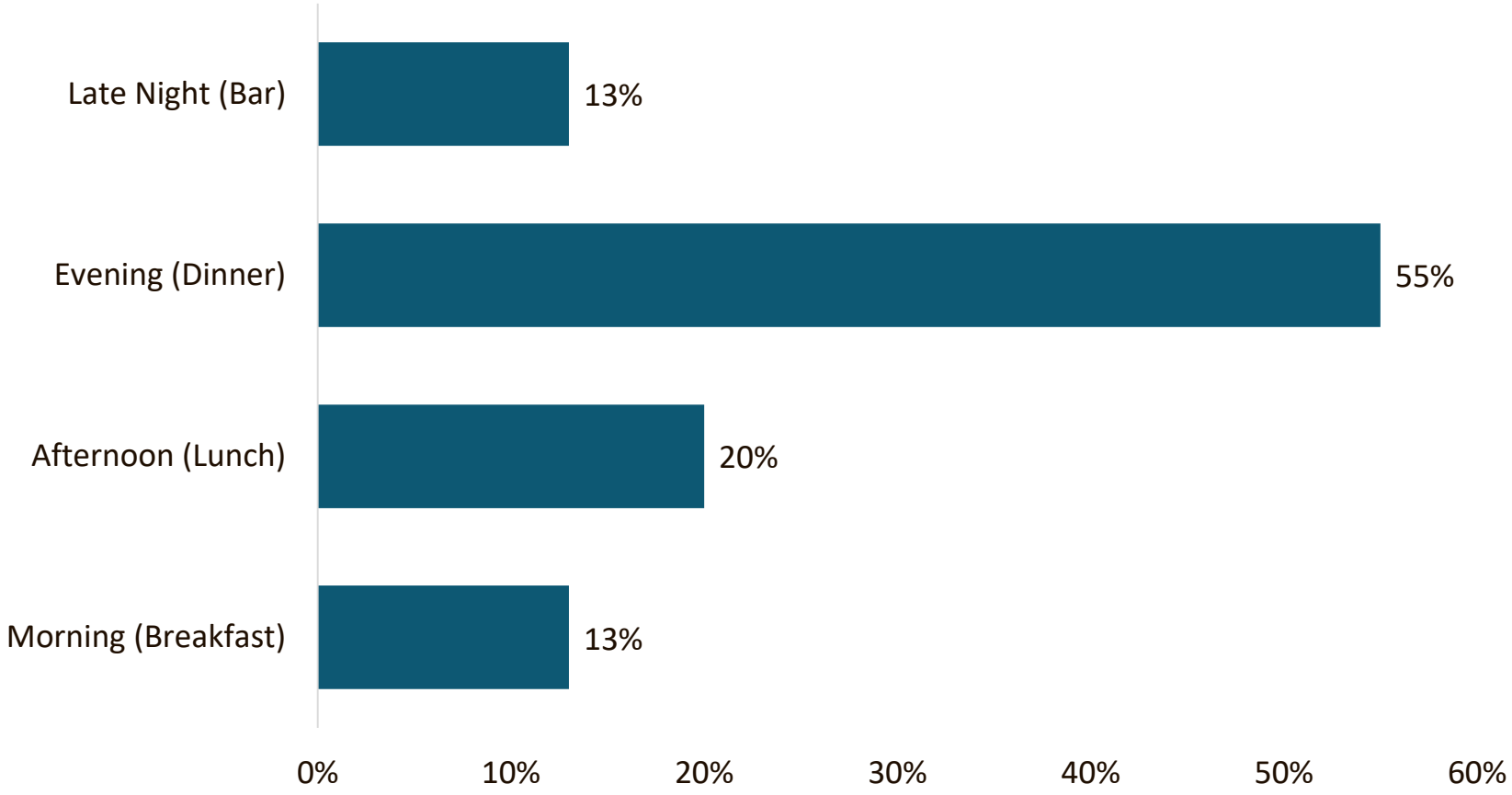


*\*Respondents can select more than one answer*



# Most respondents prefer to dine out in the evening

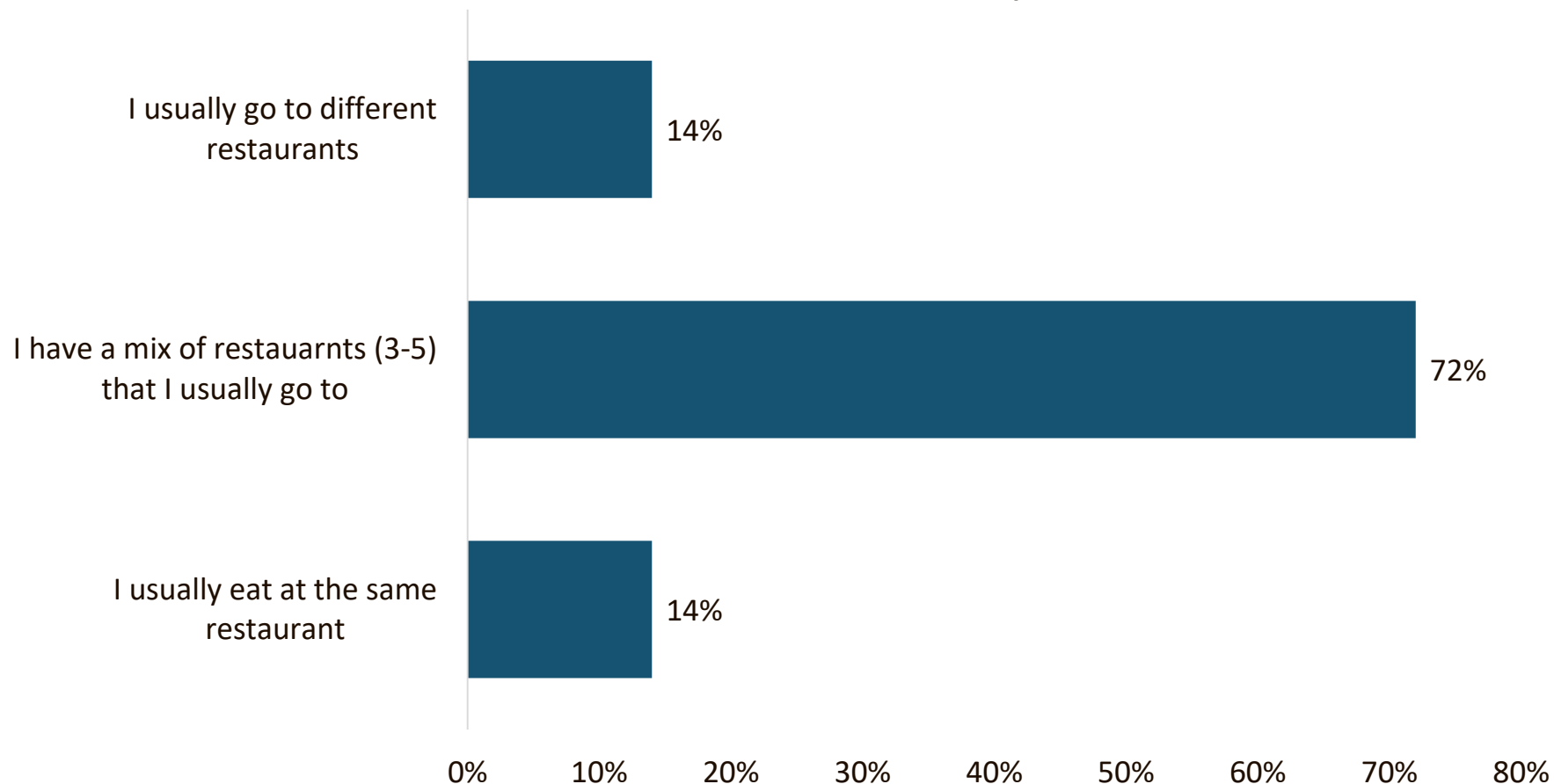
## What time do you usually eat out?



*\*Respondents can select more than one answer*

# Respondents prefer a mix of restaurants (3-5) when they eat out

Do you usually eat at the same restaurant or go to different restaurants when you eat out?



**Target group – Age 21-39**

# Respondents in targeted age group earning SGD501-1,000/month, spend on average SGD 6-10 when dining out

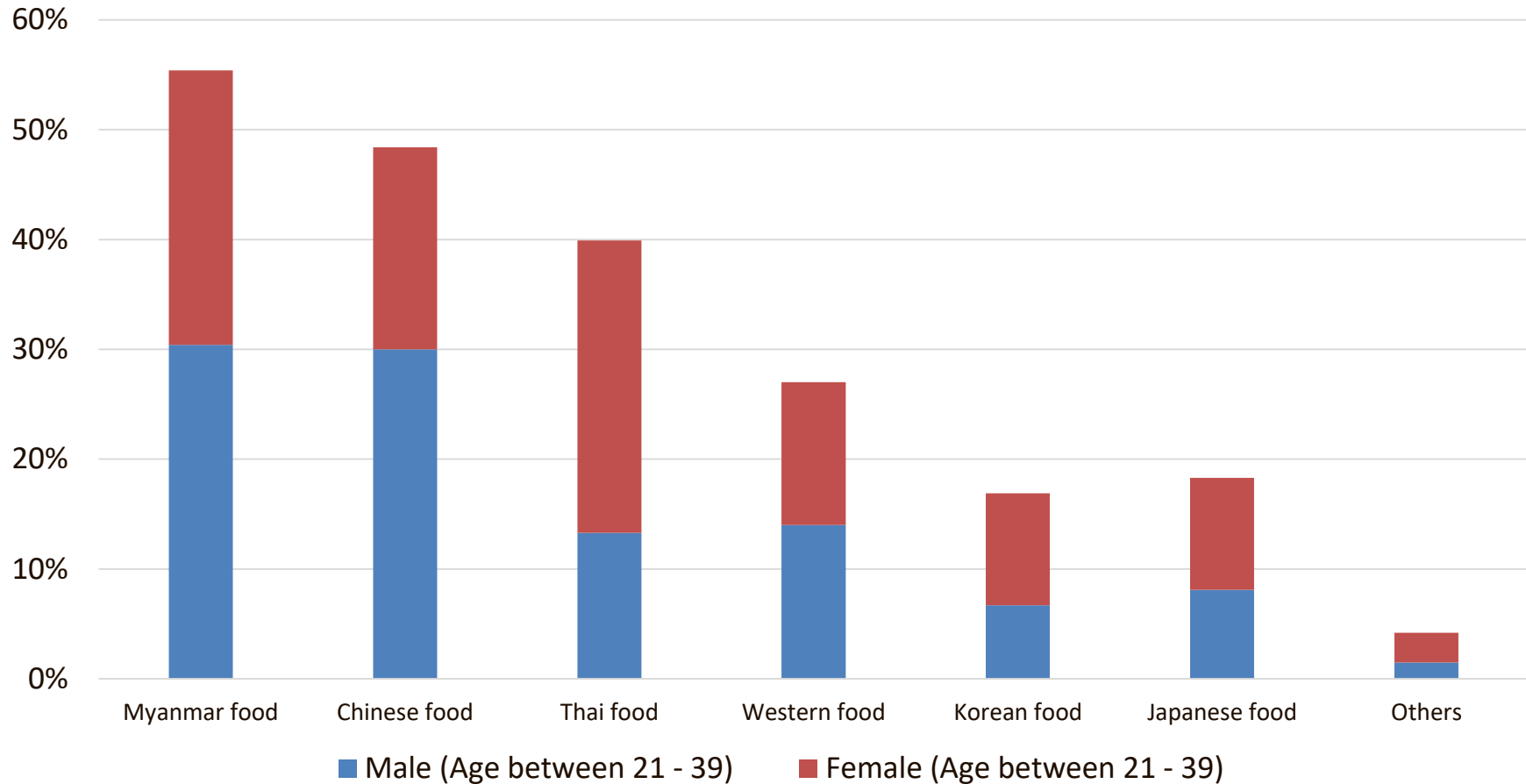
## Spending per visit by income group



Note: Assumed 1 SGD = 1,000 MMK

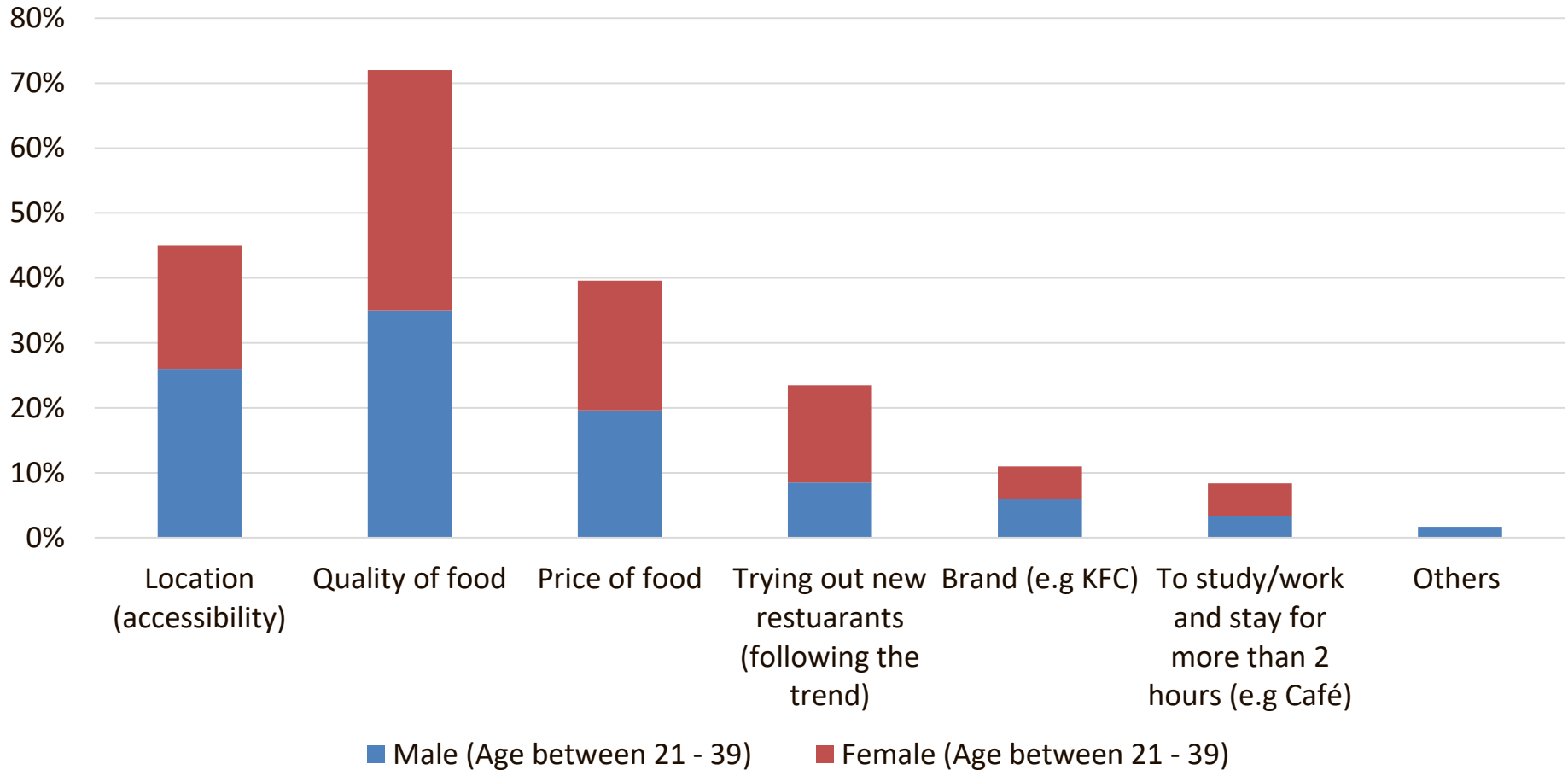
# Myanmar, Chinese, and Thai food remain popular in selected age group

## Cuisine preference



# The target group select restaurants based on food quality

## Restaurant Selection Criteria





Shanghai  
Hong Kong  
Pondicherry  
Jakarta  
Yangon  
Singapore  
Bangkok  
Ho Chi Minh City

Thank you