Agriculture and Agri-Food Canada
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International Markets Bureau

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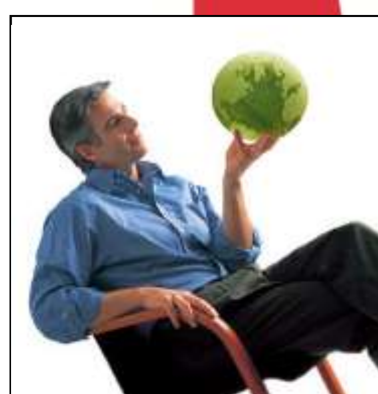
Foodservice Profile
Singapore





Growing Forward

Canada

EXECUTIVE SUMMARY

The Republic of Singapore (Singapore) was established as an independent country in 1965. Since then, it has experienced strong economic growth supported by the manufacturing and processing trades. Singapore is one of the busiest ports in the world, is considered a hub for financial services, and is renowned for its telecommunications sector.

Even though Singapore's economy has been relatively strong over the last decade, the country was affected by the global economic slowdown in 2008-2009. However, Singapore rebounded well in 2010, reaching a total gross domestic product (GDP) of US$208.8 billion, marking a 14% growth from 2009 (World Bank, 2012).

Singapore experienced a substantial population growth of 17.8% from 2006 in 2011, reaching a total of more than 5 million people (Statistics Singapore, 2012). However, this population growth was mainly driven by immigration—Singapore has a higher proportion of foreign residents than neighbouring Asian countries. This diverse demographic profile influences the local culinary culture by integrating a variety of regional and international cuisines, which can be found everywhere across the country.

Trends in consumption indicate a relative balance across various food groups, including fruits, vegetables, fresh meat and processed meat. Interestingly, per capita volume consumption of fish and seafood declined over the 2006-2011 period, while total value sales increased. This indicates an increased demand for more expensive fish and seafood products.

The foodservice industry experienced robust growth over the 2006-2011 period. As consumers gained confidence in 2010, recovering from the 2008-2009 economic slowdown, Singapore's foodservice market saw a fair expansion, with a 6.1% growth in sales from the previous year. In addition, the number of outlets and transactions also increased in most of the foodservice segments. However, the total foodservice industry will likely experience much slower growth, at an expected compound annual growth rate (CAGR) of 2.4% over the 2011-2016 period as the market reaches maturity.

Complete definitions of consumer foodservice categorization, locations and types as used in this report, can be found in the Annex on page A1.

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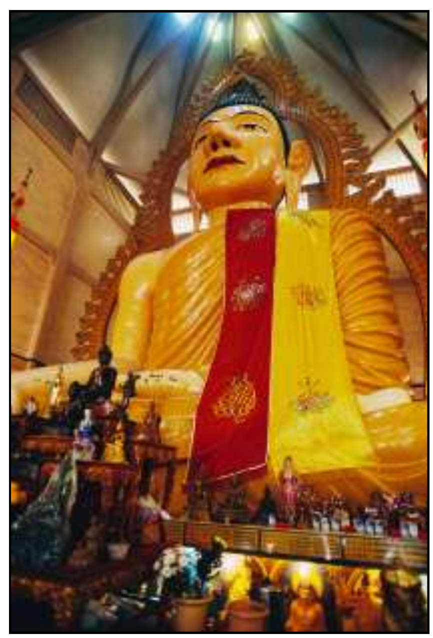


COUNTRY OVERVIEW

- Singapore is a city state on the islands located between Malaysia and Indonesia. It is a parliamentary republic with an English common law legal system. The official administrative languages are English and Mandarin Chinese, but Malay and Tamil are other commonly used languages.
- Singapore's total population reached 5.2 million in 2011, including 3.8 million Singaporean residents and 1.4 million non-residents (Statistics Singapore, 2012). The majority of Singaporeans are Chinese, representing 76.8% of the total population. Other ethnic groups in Singapore include Malay (13.9%), Indian (7.9%) and other (1.4%) (Central Intelligence Agency, 2012). The country has seen robust population growth in the past, however, year-over-year growth has slowed in recent years due to stagnating birth rates. The total number of people living in Singapore increased by 17.8% from 2006 to 2011, but this is largely led by immigration and longer life expectancies. An aging population is the outcome of these trends.
- Singapore's economy experienced a fast recovery from the 2008-2009 economic slowdown. In 2010, the country's total GDP was US$208.8 billion, a growth of 14% from 2009, with per capita GDP at US$41,120. In addition, Singapore recorded a US$49.5 billion current account surplus in 2010 (Work Bank, 2012), which was the ninth-largest current account surplus in the world, a true sign of Singapore's strong economy.
- Singapore's economy is mainly led by the manufacturing and processing trades. The country's major ports are duty-free and have contributed to the expansion of Singapore's trade service industry. For example, the export of goods and services* was 211% of Singapore's total GDP, ranking second-highest in the world for 2010 (World Bank, 2012).
- Singapore is the world's fourth-largest financial hub, and is renowned for its telecommunication sector, port service, and oil pressing industry. The service industry accounts for more than 70% of all employment in the country. The significant inflow of foreign direct investment (FDI) is also evidence of the country's economic strength. Since a large drop in FDI in 2008, the country has rebounded quickly, recording the tenth-largest FDI net inflow in 2010 in the world.

***Note:** "Exports of goods and services represent the value of all goods and other market services provided to the rest of the world. They include the value of merchandise, freight, insurance, transport, travel, royalties, license fees, and other services, such as communication, construction, financial, information, business, personal, and government services (World Bank, 2012)."*

TRADE

- Singapore is a net importer of agri-food and seafood products. In 2011, the total value of agri-food and seafood imports was US$13 billion, a 21% increase from the previous year. Singapore's total agri-food and seafood exports were US$9 billion in 2011, up 27% from 2010.
- Singapore's major agri-food and seafood trade partners are Malaysia and Indonesia. In 2011, the total value of agri-food and seafood imports from Malaysia was US$2.4 billion, followed by US$1.2 billion from Indonesia. The export value of agri-food and seafood products to Malaysia was US$1.2 billion, and US$1 billion to Indonesia. In terms of trade value, distilled alcoholic beverages ranked as Singapore's top commodity both for imports and exports.
- Canada was Singapore's 24th-largest import partner for agri-food and seafood products in 2011. The total value of agri-food and seafood imports from Canada was US$74 million. By value, Singapore's top five imports from Canada in 2011 were animal fats, soybeans, animal feed preparations, frozen swine meat, and frozen French fries (Global Trade Atlas, 2012).

TRADE (continued)

Key Information for Canadian Agri-Food and Seafood Exporters

- The Agri-Food and Veterinary Authority of Singapore (AVA) is the government organization that oversees and regulates the import, export and transhipment of all food products. The AVA classifies food products into seven groups: meat, fish, fresh fruit, fresh vegetables, fresh eggs, processed eggs, and processed food. The imported food products are regulated and administered under relevant food safety acts and regulations.
- Due to stringent food safety regulations, Singaporean food importers look for suppliers who meet the food safety and health standards set by the AVA. In addition to meeting these conditions, local importers require food manufacturing industry standards to be complied with, such as the Hazard Analysis and Critical Control Point (HACCP) certification or ISO 22000 certification for food safety management systems.
- For meat and processed meat products, imports are permitted mostly from approved countries with approved processing establishments. Canada is one of the few food exporters where all the meat and processed meat product categories have been approved to enter Singapore. However, certain conditions may be applied by the AVA and the most up-to-date information can be found on its website (http://www.ava.gov.sg).
- Fresh fish and seafood, including processed products, can be imported from any country unless the products are noted as high-risk. Currently, chilled shucked oysters, cockle meat, cooked prawns and crab meat are not permitted for import. Live oysters are also noted as high-risk seafood imports; however, imports of these products from Canada are approved (Agri-Food and Veterinary Authority of Singapore, 2012).

Singapore's Major Agri-Food and Fish Imports - Value (Historic) in US$ Millions

Category	2006	2007	2008	2009	2010	2011	2006-11 CAGR*
Fish	705.2	694.1	746.2	691.9	766.6	800.0	2.6%
Vegetables	362.3	402.0	431.6	449.1	498.7	510.2	7.1%
Fruit	400.6	419.0	448.9	454.3	490.8	519.3	5.3%
Chicken	307.2	405.2	492.6	414.6	461.7	536.3	11.8%
Pork	343.9	359.7	387.3	414.5	451.6	426.1	4.4%
Beef	118.8	145.1	174.8	160.2	192.6	238.0	14.9%
Hen eggs	82.4	996.1	125.1	124.8	132.0	145.4	12.0%
Mutton	44.3	51.2	52.9	58.2	68.2	74.7	11.0%
Duck	44.1	54.8	64.7	56.6	58.0	55.8	4.8%

Singapore's Major Agri-Food and Fish Imports - Volume (Historic) in Tonnes

Category	2006	2007	2008	2009	2010	2011	2006-11 CAGR*
Vegetables	434,851	456,036	462,767	486,184	489,638	497,069	2.7%
Fruit	365,091	358,177	361,766	365,300	361,816	369,277	0.2%
Chicken	134,326	156,835	163,811	160,693	169,221	180,051	6.0%
Fish	169,966	163,549	158,608	154,291	153,195	145,678	-3.0%
Pork	89,017	95,423	93,260	96,268	103,368	101,221	2.6%
Hen eggs	55,819	60,859	67,019	69,880	73,226	72,635	5.4%
Beef	24,385	27,780	28,848	27,897	31,872	36,659	8.5%
Duck	12,665	14,777	15,049	13,561	14,514	13,532	1.3%
Mutton	8,648	9,489	10,014	10,740	9,280	9,260	1.4%

***Source for both:** Agri-Food and Veterinary Authority of Singapore, 2012*
**** CAGR:** compound annual growth rate*

FOOD EXPENDITURE TRENDS

- In 2011, Singapore's total consumer expenditure on goods and services reached US$97 billion, marking a 10.4% growth from the previous year. Despite a sluggish economy during the 2008-2009 period, total consumer expenditure grew at a CAGR of 7.1% from 2006 to 2011. It is expected to grow at a CAGR of 5% over the 2011-2016 period.

- Total consumer expenditure on food and beverages, including alcoholic drinks, recorded retail sales of US$7.8 billion in 2011. The proportion of consumer expenditure on food and beverages has remained at approximately 8% of total consumer expenditure since 2006.

- In 2011, Singaporeans spent approximately 86.6% of their food and beverage expenditure on foods, 5.9% on non-alcoholic drinks and 7.6% on alcoholic drinks. These proportions have remained similar from 2006 to 2011, and will likely be maintained during the 2011-2016 forecast period.

- Expenditure on bread and cereal was the largest segment within the food category, recording retail sales of US$1.4 billion in 2011, followed by the meat and fish/seafood segments, each with retail sales of US$1.1 billion. However, expenditure on sugar and confectionery showed the highest increase at a CAGR of 12.4% during the 2006-2011 period, followed by oils and fats at 11.1%. Expenditure in these two segments is expected to experience the highest increase for the 2011-2016 period as well.

- Within non-alcoholic beverages, expenditure on mineral waters, soft drinks and juices was US$248 million in 2011, followed by US$209 million on coffee, tea and cocoa. The non-alcoholic beverages category as a whole showed rapid growth, with a CAGR of 8.4%, and is expected to grow at a CAGR of 6.4% during the 2011-2016 forecast period.

- Expenditure on alcoholic beverages increased during the 2006-2011 period, reaching US$590 million in 2011. Expenditure on wine showed strong growth at a CAGR of 6.9% during the 2006-2011 period. Total alcoholic drinks are expected to experience fair growth at a CAGR of 4.4% over the 2011-2016 forecast period.

Singapore's Expenditure on Food and Beverages (Historic/Forecast) in US$ Millions

Category	2006	2011	2012	2016	2006-11 CAGR*	2011-16 CAGR*
Food and beverage total	5,671.5	7,810.0	8,107.9	9,786.4	6.6%	4.6%
Food	4,907.1	6,762.4	7,015.8	8,430.3	6.6%	4.5%
Bread and cereals	995.3	1,396.6	1,453.8	1,769.3	7.0%	4.8%
Meat	835.3	1,127.2	1,168.0	1,397.5	6.2%	4.4%
Fish and seafood	883.9	1,110.4	1,127.4	1,232.1	4.7%	2.1%
Milk, cheese and eggs	548.7	768.8	798.7	963.3	7.0%	4.6%
Oils and fats	128.4	217.2	232.6	317.2	11.1%	7.9%
Fruit	512.4	751.9	789.2	996.9	8.0%	5.8%
Vegetables	639.2	848.3	877.5	1,041.8	5.8%	4.2%
Sugar and confectionery	188.8	338.1	365.7	514.0	12.4%	8.7%
Other food	175.1	203.9	202.8	198.3	3.1%	-0.6%
Non-alcoholic beverages	305.1	457.2	483.2	624.7	8.4%	6.4%
Coffee, tea and cocoa	143.0	209.0	218.8	271.3	7.9%	5.4%
Mineral waters, soft drinks and juices	162.1	248.1	264.4	353.4	8.9%	7.3%
Alcoholic drinks	459.3	590.4	608.9	731.4	5.2%	4.4%
Spirits	39.8	43.2	43.9	50.7	1.7%	3.3%
Wine	153.2	214.1	224.1	285.4	6.9%	5.9%
Beer	266.4	333.1	341.0	395.3	4.6%	3.5%

Source: *Euromonitor International, 2012*
*** CAGR:*** *compound annual growth rate*

FOODSERVICE INDUSTRY OVERVIEW

- Singapore's consumer foodservice industry recorded US$7.5 billion in total retail sales in 2011, a 3.3% growth from the previous year. In 2010, the industry recovered from the sluggish market of 2008-2009, with a 6.7% increase, registering total retail sales of US$7.3 billion. The economic recovery helped the industry's robust performance during 2010, as consumers regained confidence. Singaporeans were more willing to dine out and spend more in fine dining establishments, further contributing to value sales growth in the industry.

- The substantial growth of the industry in recent years was supported by the opening of two resorts and new shopping malls, which provided opportunities for new players to enter the market, and for existing players to expand. However, future growth in outlet numbers will likely remain slow at a CAGR of 0.7% for 2011 to 2016.

- The market composition by foodservice channel indicates that independent foodservice outlets maintained a strong presence in 2011, compared to chained foodservice outlets. However, chained foodservice has been gaining share and will represent approximately 30% of the total industry from 2011-2016. Euromonitor International (2011) suggests this is due to chained operators' strong brand equity, extensive logistical networks and fine-tuned operating processes, which all contribute to lower operating costs, and therefore, increased profit margins.

- In terms of outlet types, street stalls/kiosks represented the biggest proportion of the total industry by retail sales from 2006-2011, followed by full-service restaurants. In terms of growth rates, the 100% home delivery/takeaway segment showed the fastest growth with a CAGR of 12.6% during the 2006-2011 period, followed by the fast food segment and pizza segment. It is expected that these three segments will still experience robust growth, but at a much slower pace, for the 2011-2016 period.

- The global chain brands held a relatively strong market share during 2006-2011 period, but the majority of the market was disaggregated among diversified players. The top brand with most market share by retail value sales was McDonald's (McDonald's Corp), representing 4.4% of the industry. The next most dominant players were KFC (Yum! Brands Inc.) and 7-Eleven (Seven & I Holdings Co Ltd.) with shares of 1.9% and 1% respectively. In terms of market share by number of outlets, 7-Eleven (Seven & I Holdings Co Ltd.) was number one with 559 Singaporean outlets in total, followed by McDonald's (McDonald's Corp) with 121, and Subway (Doctor's Associates Inc.) with 92 outlets.

Starbucks in Singapore
Source: *Planet Retail, 2012*

Singapore's Foodservice Market Size by Indicator (Historic/Forecast)

Indicator	2006	2011	2012	2016	2006-11 CAGR*	2011-16 CAGR*
Retail value sales (US Millions)	6,241.8	7,492.6	7,912.1	9,449.7	3.7%	4.8%
Number of outlets	24,314	26,186	26,387	27,096	1.5%	1.8%
Number of transactions (millions)	997	1,126	1,146	1,228	2.5%	0.7%

Source: *Euromonitor International, 2012*
**** CAGR:*** *compound annual growth rate*

FOODSERVICE INDUSTRY OVERVIEW (continued)

Marketing Trends

- Innovation and marketing in Singapore's foodservice industry reflect dynamic, multicultural consumers and their distinct needs. For example, Singapore's advanced telecommunications are used to promote online business in retail and delivery foodservice markets, amongst a highly tech-savvy population.

- Retail grocery markets are the main food shopping channel for Singaporeans. Even though dining-out and delivery foodservice formats have been booming, the majority of people still cook and eat at home. To target the urban population, characterized by busy young consumers, some grocery retailers have provided online shopping and delivery services, and are continuously expanding their offline coverage by opening new outlets.

- Dining-out and delivery segments also introduced online shopping options for their consumers. For example, McDonald's (McDelivery) and Pizza Hut operate websites to place online orders, that consumers can then choose to pick up or have delivered. This kind of online service is becoming more popular for chained restaurants. In addition, "groupons," an online group coupon website launched in 2010, has grown in popularity. This website gives consumers the chance for discounted deals through collective buying power.

- Food and drink pairing menus and co-branding promotions have become more popular in fine dining and mid-range dining outlets. Considering the lower proportion of beverage sales, this could be an opportunity for service providers to increase profits, as well an effective way for beverage producers to penetrate new markets.

Singapore's Foodservice Market Shares by Top 10 Brands - % Breakdown of Retail Value Sales

Brand	Company (GBO*)	2009	2010	2011
McDonald's	McDonald's Corp	4.2	4.3	4.4
KFC	Yum! Brands Inc.	1.8	1.8	1.9
7-Eleven	Seven & I Holdings Co Ltd.	0.9	1.0	1.0
Pizza Hut	Yum! Brands Inc.	0.9	0.9	0.9
Crystal Jade	Crystal Jade Culinary Concepts Holding	1.1	0.8	0.9
Subway	Doctor's Associates Inc.	0.7	0.8	0.8
Tung Lok Restaurants	Tung Lok Restaurants (2000) Ltd.	0.7	0.8	0.8
Sakae Sushi	Sakae Holdings	-	-	0.6
Burger King	Burger King Holdings Inc.	0.7	0.6	0.6
Starbucks	Starbucks Corp	0.4	0.5	0.5

Singapore's Foodservice Market Shares by Top 10 Brands - % Breakdown of Number of Outlets

Brand	Company (GBO*)	2009	2010	2011
7-Eleven	Seven & I Holdings Co Ltd.	1.8	1.9	2.1
McDonald's	McDonald's Corp	0.4	0.4	0.5
Subway	Doctor's Associates Inc.	0.3	0.3	0.4
Cheers	NTUC FairPrice Co-operative Pte Ltd.	0.3	0.3	0.3
KFC	Yum! Brands Inc.	0.3	0.3	0.3
Starbucks	Starbucks Corp	0.3	0.3	0.3
Old Chang Kee	Ten & Han Trading Pte Ltd.	0.3	0.3	0.3
Mr Bean	Super Bean International Pte Ltd.	0.2	0.2	0.2
Pizza Hut	Yum! Brands Inc	0.2	0.2	0.2
Coffee Bean & Tea Leaf	International Coffee & Tea LLC	0.2	0.2	0.2

Source for both: *Euromonitor International, 2012*
**** GBO:*** *Global Brand Operator.*

FOODSERVICE TRENDS BY TYPE

Independent versus chained foodservice

- The independent foodservice channel represented more than 70% of Singapore's total foodservice industry by value sales over the 2006-2011 period. In 2011, the independent foodservice channel registered total retail sales of US$5.3 billion. During the 2006-2011 period, this channel expanded at a CAGR of 2.8% and is forecast to increase at a CAGR of 4.7% during the 2011-2016 period.

- The chained foodservice market has been gaining share since 2006. In 2011, chained foodservice represented approximately 30% of total foodservice outlets, reaching total retail sales of US$2.2 billion. It is expected to grow at a CAGR of 4.9% during the 2011-2016 period, to be valued at US$2.8 billion by 2016.

Singapore's Foodservice Market Size (Historic/Forecast) by Independent vs. Chained Outlets in US$ Millions

Category	2006	2011	2012	2016	2006-11 CAGR*	2011-16 CAGR*
Total consumer foodservice	6,241.8	7,492.6	7,912.1	9,449.7	3.7%	4.8%
Independent consumer foodservice	4,573.1	5,260.4	5,541.7	6,619.7	2.8%	4.7%
Chained consumer foodservice	1,668.7	2,232.2	2,370.4	2,829.9	6.0%	4.9%

Source : *Euromonitor International, 2012*
** **CAGR:** compound annual growth rate*

Street stalls/kiosks

- Street stalls/kiosks registered total sales of US$4 billion in 2011. The average amount spent per transaction was approximately US$4.50, which was the lowest among all foodservice channels. Considering it registered the lowest spending per transaction, street stalls/kiosks had high consumer turnover, recording 882 million total transactions in 2011. This category is expected to expand at a CAGR of 4.3% during the 2011-2016 period, to become a US$4.9 billion market.

Full-service restaurants

- Full-service restaurants experienced a robust recovery in sales in 2010 and continued to expand in 2011. The number of full-service restaurant outlets also increased by 6% during the 2009-2010 period, contributing to the sales recovery. This segment reached total sales of US$1.7 billion in 2011, and is expected to grow at a CAGR of 5.3% during the 2011-2016 period, reaching US$2.2 billion by 2016.

- Full-service restaurants saw a slight decrease in the proportional sales for food, representing approximately 75% of total sales in 2011. Drink sales saw a slight growth supported by marketing promotions. Wine consumption in full-service restaurants also experienced growth.

Café/bars

- The café/bar segment recorded total sales of US$928 million in 2011. According to Euromonitor (2011), drink sales accounted for the majority of sales, while food played a small role in this segment. In terms of business structure, bars and pubs are predominantly run by independent operators, whereas cafés and coffee shops are run by chained operators such as Starbucks, and Coffee Bean & Tea Leaf.

Fast food

- The fast food segment in Singapore did well in 2011, registering total sales of US$868 million, or a 6.7% increase from 2010. This strong performance was supported by an increase in the number of outlets and transactions. Particularly, the aggressive price promotions among major fast food chains such as McDonald's, Burger King and KFC, contributed to the growth of this market.

FOODSERVICE TRENDS BY TYPE (continued)

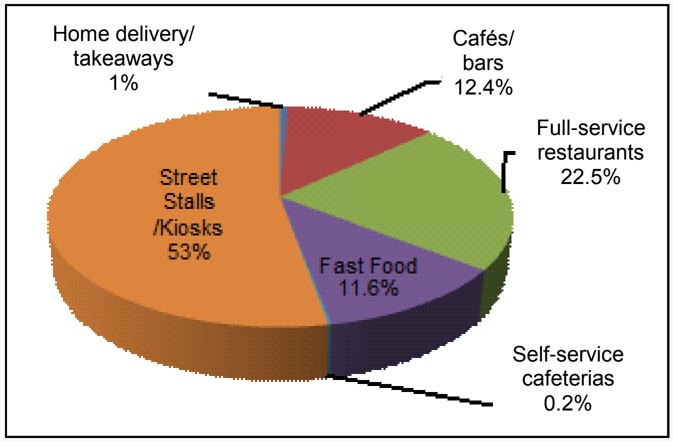
*Pizza***

- Pizza sales across all types of foodservice experienced a growing trend during the 2006-2011 period, with a CAGR of 6.7% and registering total sales of US$106 million in 2011. Pizza is expected to increase at a CAGR of 6.4% during the 2011-2016 period, to be valued at US$145 million.

100% home delivery/takeaway

- In 2011, the 100% home delivery/takeaway segment was valued at US$47 million, a 13.1% increase from 2010. This segment maintained the same market size in 2010 after three periods of double digit growth between 2006 and 2009. Within this category, Pizza Hut Singapore Pte Ltd. was the leading foodservice operator, with a 40% market share by value. The 100% home delivery/takeaway segment is expected to expand at a CAGR of 7.6% during the 2011-2016 period, reaching total sales of US$68 million.

Singapore's Foodservice Market Composition by Channel Type in 2011 - % Share of Retail Sales



Source : *Euromonitor International, 2012*

Self-service cafeterias

- In the 2009-2010 period, self-service cafeterias outperformed previous years with a sales increase of 40.4% after the 26.5% drop recorded in 2007-2008. The 2009-2010 expansion mainly offset the loss of sales from the 2007-2008 period. The self-service cafeteria segment recorded total sales of US$11.8 million in 2011, an increase of 4.4% from 2010. This segment is expected to reach US$14.2 million by 2016, with a CAGR of 3.7% during the 2011-2016 forecast period.

- All of the self-service cafeterias in Singapore are run by chained operators. The high cost of business and lack of available locations prevent independent operators from entering the market. The main self-service cafeterias are IKEA and Marche. During recent years, these two players have expanded their product lines to include organic food, which contributed to a sales increase.

Singapore's Foodservice Market Size (Historic/Forecast) by Channel Type in US$ Millions

Category	2006	2011	2012	2016	2006-11 CAGR*	2011-16 CAGR*
Total consumer foodservice	6,241.8	7,492.6	7,912.1	9,449.7	3.7%	4.8%
Street stalls/kiosks	3,392.5	3,954.7	4,151.2	4,920.1	3.1%	4.5%
Full-service restaurants	1,430.4	1,683.9	1,791.6	2,176.8	3.3%	5.3%
Cafés/bars	777.6	927.8	978.8	1,152.8	3.6%	4.4%
Fast food	605.0	867.5	926.0	1,118.3	7.5%	5.2%
Pizza**	76.6	106.0	115.0	144.7	6.7%	6.4%
100% home delivery/takeaway	25.9	46.9	52.1	67.5	12.6%	7.6%
Self-service cafeterias	10.4	11.8	12.4	14.2	2.6%	3.7%

Source : *Euromonitor International, 2012*
**** CAGR:*** *compound annual growth rate*

***** Note:*** *The figures for pizza are also included within the figures for each other type of foodservice (for example, 100% home delivery pizza).*

FOODSERVICE TRENDS BY LOCATION

Standalone foodservice

- Standalone foodservice was the largest location type, representing more than 50% of total foodservice sales in Singapore in 2011, or US$3.8 billion. It is expected that the standalone foodservice location will expand at a CAGR of 5.3% during the 2011-2016 period, reaching total sales of US$4.9 billion. Standalone foodservice has the largest number of outlets, representing approximately 64% of all foodservice outlets during the 2006-2011 period.

Self-service Cafeteria in Singapore
Source: *Planet Retail, 2012*

Retail foodservice

- Retail foodservice recorded healthy sales in 2011, supported by new shopping malls such as Nex and Bedok Points, which opened in 2010. Total sales in retail foodservice outlets were valued at US$3.1 billion in 2011. This location is expected to expand at a CAGR of 3.9% for the next five years, to reach US$3.7 billion in sales by 2016.

Travel foodservice

- Travel foodservice registered total sales of US$299 million in 2011. This location is expected to grow at a CAGR of 5.2% during the 2011-2016 period, to reach sales of US$385 million. The major consumers in travel foodservice are tourists who seek branded outlets for a sense of familiarity. Therefore, as the number of tourists rises, the presence of branded travel foodservice is expected to increase. Despite the positive growth forecasts to 2016, the performance of this location type will depend on economic conditions, which will impact consumer confidence and tourist arrivals.

Lodging foodservice

- Total sales within lodging foodservice were valued at US$268 million in 2011, a 4% increase from 2010. During the 2006-2011 period, sales increased at a CAGR of 1.8%. This upward trend is expected to continue through until 2016 with a CAGR of 5.4%, to reach US$349 million.

Leisure foodservice

- Leisure represented the smallest proportion of the total foodservice industry by sales, outlet numbers and transactions. Total sales in the leisure location were valued at US$122 million in 2011, a 5% increase from the previous year. This location is expected to grow at a CAGR of 6.8% during the 2011-2016 period, to reach sales of US$170 million.

Singapore's Foodservice Market Size (Historic/Forecast) by Location in US$ Millions

Category	2006	2011	2012	2016	2006-11 CAGR	2011-16 CAGR
Total consumer foodservice	6,241.8	7,492.6	7,912.1	9,449.7	3.7%	4.8%
Standalone consumer foodservice	3,287.5	3,754.2	3,983.0	4,858.2	2.7%	5.3%
Retail consumer foodservice	2,430.0	3,049.6	3,191.4	3,687.1	4.6%	3.9%
Travel consumer foodservice	187.3	298.5	317.9	385.4	9.8%	5.2%
Lodging consumer foodservice	244.8	268	285.7	348.9	1.8%	5.4%
Leisure consumer foodservice	92.2	122.4	134	170	5.8%	6.8%

Source: *Euromonitor International, 2012*
** **CAGR:** compound annual growth rate*

INSTITUTIONAL FOODSERVICE

- Institutional foodservice represents those services provided through workplaces, educational institutions, hospitals and welfare. According to Datamonitor (2012), institutional foodservice was valued at US$715 million in 2009. The total market size was estimated to be US$734 million in 2010 and US$754 million in 2011. This channel is expected to grow at a CAGR of 2.6% from 2010 to 2014.

- The total number of transactions and outlets in institutional foodservice showed an upward trend across all segments during the 2006-2009 period. The workplace segment had the most number of outlets during this period, totaling 1,177 in 2009, followed by the welfare and service segment with 667 outlets. It is expected that the total number of outlets and transactions will increase at a CAGR of approximately 1% during the 2009-2014 period.

Workplaces

- Institutional foodservice through workplaces is segmented into industrial, retail, financial, office-based and other locations. Workplace foodservice accounted for 19.9% of the total institutional foodservice in 2009 with a value of US$142 million, and expanded at a CAGR of 3% from 2006-2009. It is forecast to reach total sales of US$168 million by 2014, with a CAGR of 3.3% from 2010-2014.

Educational institutions

- Foodservice through educational institutions covers the services provided through primary, secondary and post-secondary schools. In 2009, the education channel accounted for 25.6% of total institutional foodservice with a value of US$183 million. This segment is expected to grow at a CAGR of 2.7% during the 2010-2014 period, reaching US$210 million in value.

Welfare and services

- Welfare and services, including armed services, residential care, welfare meals and detention services, represented the largest proportion of institutional foodservice with a 45% share in 2009, registering a total sales value of US$323 million. This channel expanded at a CAGR of 2% during the 2006-2009 period, and is expected to further increase at a CAGR of 2% for 2010-2014, reaching US$356 million.

Hospitals

- Institutional foodservice through hospitals registered a total value of US$68 million in 2009. This channel showed a CAGR of 2.8% from 2006 to 2009, and is expected to display stronger growth during the following five years at a CAGR of 3.2%, reaching US$78 million by 2014.

****Note:** At the time of preparing this report, 2009 figures were the latest actual data available for institutional foodservice. Data for the period of 2010-2014 are forecasts.*

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ANNEX: DEFINITIONS

- **Consumer foodservice by type**
  Consumer foodservice is composed of cafés/bars, full-service restaurants, fast food, 100% home delivery/takeaway, self-service cafeterias and street stalls/kiosks.

- **Chained consumer foodservice**
  Chained units are defined by 10 or more units. An exception is made for international chains that have a presence of fewer than 10 units in a country. In this case, they are still considered to be chained units.

- **Independent consumer foodservice**
  Independent units do not have 10 or more outlets or a branded formula and would not feature in the chained subsector. Small businesses with a branded formula with under 10 units are also included here.

- **100% home delivery/takeaway**
  These are fixed units that provide no facilities for consumption on the premises. Food can either be picked up by the consumer, or delivered, often for an additional charge. Common offerings include: pizzas, Chinese, Indian, Mexican, Middle Eastern, West Indian, North African, and other local national offerings. Companies offering a mixture of table and delivery service are excluded and fall under the full-services restaurant sector.

- **Cafés/bars**
  This sector encompasses all establishments where the focus is on drinking either alcoholic or non-alcoholic beverages and where food is also served. While a wide variety of snacks and full meals are offered, it is not uncommon for consumers to only order a drink. Cafés/bars includes bars/pubs, cafés, juice/smoothie bars, and specialist coffee shops. Full scale juice bars, such as energy drink bars and fruit juice bars, are included in the juice/smoothie bars category. Juice and smoothie bars in a street stall or kiosk type format are included in the street stalls/kiosks category.

- **Full-service restaurants**
  Full-service restaurants encompass all sit-down establishments where the focus is on food rather than drinks. It is characterized by table service and a relatively higher quality of food offering than quick-service units. It also includes à la carte, all-you-can-eat and sit-down buffets within restaurants. Merchandising sales are excluded.

- **Fast food**
  Fast food outlets are typically distinguished by the following characteristics:
  - A standardised and restricted menu;
  - Food for immediate consumption;
  - Tight individual portion control on all ingredients and on the finished product;
  - Individual packaging of each item;
  - A young and unskilled labour force;
  - Counter service;
  - For chained fast food, chained and franchised operations that operate under a uniform fascia and corporate identity.

- **Self-service cafeterias**
  Self-service cafeteria outlets provide no (or limited) service content. Food is presented on counters or available made-to-order through food stalls. The customer chooses the items they want and pays for everything at a separate pay station or check-out.

- **Street stalls/kiosks**
  These are small, mobile foodservice providers characterized by a very limited product offering and low prices. This includes street hawkers and larger branded complexes. It also includes kiosks and carts located externally or internally in shopping malls, etc.

- **Pizza consumer foodservice**
  This includes all outlets that specialize in pizza including fast food pizza, pizza full-service restaurants, pizza 100% home delivery/takeaway. These sub-sectors are also included in the total fast food, total full-service restaurants and total 100% home delivery/takeaway sectors.

ANNEX: DEFINITIONS (continued)

- **Consumer foodservice by location**
  Consumer foodservice is composed of cafés/bars, full-service restaurants, fast food, 100% home delivery/takeaway, self-service cafeterias and street stalls/kiosks. Consumer foodservice by location breaks out each foodservice sector according to its location - leisure, lodging, retail, standalone, travel.

- **Consumer foodservice through standalone outlets**
  Freestanding foodservice establishments.

- **Consumer foodservice through leisure outlets**
  Foodservice establishments located in leisure locations including museums, health clubs, cinemas, theatres, theme parks and sports stadiums.

- **Consumer foodservice through retail outlets**
  Foodservice establishments located in retail locations including supermarkets, grocery stores, convenience stores, hypermarkets, department stores and mass merchandisers.

- **Consumer foodservice through lodging outlets**
  Foodservice establishments located in hotels. All food that is included in the accommodation price as well as catering services for private parties are considered fully captive and are excluded.

- **Consumer foodservice through travel outlets**
  Foodservice establishments located in travel locations including motorway service stations or fuel stations, airports, rail stations and coach stations. This excludes all in-flight or on board service which would be considered fully captive.

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