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MARKET ACCESS SECRETARIAT
Global Analysis Report

Foodservice Profile

Thailand

July 2014

EXECUTIVE SUMMARY

Thailand is the world's twentieth-largest country in terms of population, and the World Economic Forum listed Thailand as the thirty-seventh most competitive economy in 2013. The World Bank listed Thailand's gross domestic product (GDP) was over US$366 billion in 2012.

Eating out is quite common in Thailand. Thais usually eat out not just on special occasions, but also as a regular part of their social life. Many Thais' eat out for Friday dinner, and are likely to patronize Asian restaurants. Asian food is most popular amongst Thai consumers, due to an abundance of outlets and a variety of menus. There are many promotions offered especially for Friday dinner, a popular evening for eating out, such as price discounts from credit card issuers and telecommunications companies.

The decision about where to eat depends greatly on the taste and price of each restaurant. This is apparent in the low value per sales transaction, and high transaction numbers seen in the fast food subsector. The foodservice sector in Thailand is expected to see slight growth, with a 1.1% combined average growth rate (CAGR) from 2013 to 2017. While the majority of foodservice spending in Thailand is carried out through independent outlets, some chained venues will see very healthy growth, such as fast food, and cafés and bars.

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SECTOR OVERVIEW

Thais eat out often as a regular part of their social life, supported by relatively inexpensive fare in relation to incomes. Both per capita disposable income and consumer expenditures reached double digit growth in Thailand, from 2006 to 2011, and are forecasted to continue this upward trend into 2020 (Euromonitor, 2013 "Income and Expenditure Thailand.").

After negative value growth in 2011, Thai's appear to be back to eating out, spending more on consumer foodservice in 2012. Thailand's foodservice sector was valued at just under US$21.9 billion in 2012. Between 2008 and 2012, the Thailand foodservice market recorded a CAGR of 2.4% and is expected to continue expanding with a CAGR of 4.8% from 2013 to 2017, reaching total sales of US$27.5 billion. The top companies in the market are national chains, and include Seven & I Holdings Co. Ltd., MK Restaurants Co. Ltd., and Charoen Pokphand Group.

Foodservice subsectors consist of full-service restaurants, fast food, cafés/bars, street stalls/kiosks, self-service cafeterias, and 100% home delivery/takeaway. Street stalls and kiosks were the main drivers in 2012, claiming 32% of the market. Cafés and bars are closing in with sales predicted to surpass street stalls and kiosks by 2017, to lead the foodservice sector. However, the fastest-growing subsector was fast food, which saw a double-digit CAGR of13.3% over the 2008 – 2012 review period.

In 2012, total sales and per capita spending by Thai consumers was up in a number of venues, including cafés and bars, full-service restaurants, 100% home delivery/take away, fast food, and pizza outlets. By location, spending in retail and travel locations were up as well.

Thailand Foodservice Market Sizes Historic by Type and by Location by Value in US$ Millions

Categories	2008	2009	2010	2011	2012	2008-2012 CAGR (%)
Consumer Foodservice by Type	**20,484.4**	**21,077.0**	**21,504.9**	**21,323.7**	**21,875.4**	**2.4**
Street Stalls/Kiosks	7,533.7	7,632.0	7,617.7	7,038.9	6,941.7	-0.8
Cafés/Bars	5,627.3	5,854.7	6,091.7	6,308.1	6,555.1	4.1
Full-Service Restaurants	4,806.6	4,844.7	4,783.2	4,685.3	4,831.6	1.1
Fast Food	1,569.7	1,743.8	2,011.9	2,304.7	2,536.6	13.3
100% Home Delivery/Takeaway	599.2	646.4	663.0	683.3	714.6	5.3
Pizza Consumer Foodservice**	249.3	276.8	273.8	274.4	296.8	6.1
Self-Service Cafeterias	347.9	355.4	337.3	303.4	295.8	-3.2
Consumer Foodservice by Location	**20,484.4**	**21,077.0**	**21,504.9**	**21,323.7**	**21,875.4**	**2.4**
Standalone	12,616.3	12,896.6	13,018.3	12,674.4	12,847.1	1.3
Retail	4,774.3	5,078.9	5,303.4	5,482.7	5,791.6	5.6
Lodging	1,392.0	1,318.2	1,331.3	1,313.6	1,303.1	-0.4
Travel	952.0	989.7	1,031.0	1,042.1	1,103.3	4.2
Leisure	750.0	793.6	820.9	810.9	830.2	3.3

Source: *Euromonitor International 2014* **CAGR = compound annual growth rate.*

***Pizza consumer foodservice data is compiled from three different subsectors (fast food, full-service restaurants, and 100% home delivery/takeaway) for the purposes of comparison, but remains reflected within the figures for these subsectors, and thus the consumer foodservice total. As such, pizza consumer foodservice is not counted as its own sector within the consumer foodservice total.*

Thailand (Forecast) Foodservice Market Size by Type and Location in US$ Millions

Categories	2013	2014	2015	2016	2017	2013-2017 CAGR (%)
Consumer Foodservice by Type	**22,822.40**	**23,835.10**	**24,922.10**	**26,135.20**	**27,478.80**	**4.8**
100% Home Delivery/Takeaway	753	789.9	824.2	859	892.1	4.3
Cafés/Bars	6,896.60	7,221.20	7,513.30	7,802.80	8,097.10	4.1
Full-Service Restaurants	5,079.10	5,301.10	5,563.70	5,907.40	6,337.10	5.7
Fast Food	2,812.50	3,098.10	3,386.60	3,697.10	4,024.30	9.4
Self-Service Cafeterias	291.8	290	289.3	289.6	290.5	-0.1
Street Stalls/Kiosks	6,989.30	7,134.80	7,345.10	7,579.20	7,837.70	2.9
Pizza Consumer Foodservice**	319.6	342.2	364	384.4	403.3	6.0
Consumer Foodservice by Location	**22,822.50**	**23,835.10**	**24,922.10**	**26,135.10**	**27,478.80**	**4.8**
Through Standalone	13,296.70	13,801.60	14,417.50	15,080.80	15,826.70	4.5
Through Leisure	850.1	872.8	901	937.8	977.5	3.6
Through Retail	6,151.30	6,534.40	6,883.70	7,277.40	7,686.60	5.7
Through Lodging	1,349.80	1,383.70	1,411.10	1,444.20	1,504.80	2.8
Through Travel	1,174.60	1,242.60	1,308.80	1,394.90	1,483.20	6.0

Source: *Euromonitor International 2014* **CAGR = compound annual growth rate.*

*********Pizza consumer foodservice data is compiled from three different subsectors (fast food, full-service restaurants, and 100% home delivery/takeaway) for the purposes of comparison, but remains reflected within the figures for these subsectors, and thus the consumer foodservice total. As such, pizza consumer foodservice is not counted as its own sector within the consumer foodservice total.*

Domestic independent operators are the prevalent foodservice providers in Thailand, accounting for 77% of the total foodservice outlets, and 76% of the number of transactions.

Outlets and Transactions of Thailand Foodservice by Type, 2012

Subsector	Outlets	Transactions (Millions)	Average Sales per Outlet ($US)	Average Sales per Transaction ($US)
Total consumer foodservice	**132,494.0**	**8,591.8**	**165,104.5**	**2.5**
Independent consumer foodservice	102,565.0	6,572.4	158,168.5	2.5
Chained consumer foodservice	29,929.0	2,019.5	188,873.8	2.8

Source: *Euromonitor International 2014*

In 2012, the Thai foodservice sector had fewer than 133,000 outlets, with 8.6 billion transactions. By subsector, street stalls and kiosks had the most outlets at over 90,000, and the most transactions at 6.1 billion. The self-service cafeteria subsector had the fewest outlets and transactions in 2012.

In 2012, a typical foodservice outlet averaged US$165,000 in sales, or US$2.50 per transaction. Cafes/bars had the highest average transaction value at US$22.10.

Outlets and Transactions of Thailand Foodservice by Subsector, 2012

Subsector	Outlets	Transactions (Millions)	Average Sales per Outlet ($US)	Average Sales per Transaction ($US)
Total consumer foodservice	**132,494**	**8,591.8**	**165,104.50**	**2.50**
Full-service restaurants	10,071	807.5	479,750.60	6.00
Fast food	14,443	1,072.9	175,629.40	2.40
Cafés/bars	12,791	296.1	512,476.80	22.10
Street stalls/kiosks	90,698	6,165.2	76,536.70	1.10
100% home delivery/takeaway	3,787	180.5	188,699.30	4.00
Self-service cafeterias	704	69.7	420,106.30	4.20
Pizza consumer foodservice**	486	25.7	610,714.50	11.60

Source: *Euromonitor International 2014*
**********Pizza consumer foodservice data is compiled from three different subsectors (fast food, full-service restaurants, and 100% home delivery/takeaway) for the purposes of comparison, but remains reflected within the figures for these subsectors, and thus the consumer foodservice total. As such, pizza consumer foodservice is not counted as its own sector within the consumer foodservice total.*

Outlet Numbers and Forecast Growth of Thailand Foodservice by Type

Categories	2013	2014	2015	2016	2017	CAGR* (%)
Consumer Foodservice by Type	**134,135**	**135,662**	**137,132**	**138,569**	**139,951**	**1.1**
100% Home Delivery/Takeaway	3,852	3,909	3,959	4,002	4,038	1.2
Cafés/Bars	13,156	13,493	13,817	14,126	14,396	2.3
Full-Service Restaurants	10,308	10,566	10,859	11,198	11,578	2.9
Fast Food	15,280	16,050	16,762	17,445	18,091	4.3
Self-Service Cafeterias	676	651	627	600	573	-4.0
Street Stalls/Kiosks	90,863	90,993	91,108	91,198	91,275	0.1
Pizza Consumer Foodservice	496	503	509	513	516	1.0
Consumer Foodservice by Location	**134,135**	**135,662**	**137,132**	**138,569**	**139,951**	**1.1**
Through Standalone	95,717	96,384	97,098	97,982	98,658	0.8
Through Leisure	5,154	5,042	5,006	4,845	4,787	-1.8
Through Retail	22,535	23,369	24,131	25,073	25,917	3.6
Through Lodging	3,049	2,944	2,856	2,800	2,826	-1.9
Through Travel	7,678	7,920	8,038	7,866	7,762	0.3

Source: *Euromonitor International 2014* **CAGR = compound annual growth rate.*

CONSUMER SPENDING

Most of the per capita spending in 2012 was through street stalls and kiosks (US$102.3), and cafes and bars (US$96.6). While street stalls and kiosks enjoyed the highest per capita spending, the sub-sector has seen a gradual drop in total spending that began in 2010. Cafes and bars, however, have been enjoying continuous increases in per capita spending since 2008. Growth in per capita spending was also seen in 100% take away, fast food, and pizza outlets.

The highest per capita spending was seen in standalone locations (US$189.3), followed by retail with the second highest per capita spending (US$85.3). Steady, per capita spending growth was seen in the majority of locations. The exception is lodging's foodservice outlets, with a steady drop in per capita spending from 2008 to 2012. However, Euromonitor is expecting a reversal in this pattern, with per capita spending in lodging establishments slightly recovering in the next few years. Forecasts going forward suggest all food service locations will see growth in per capita spending into 2017, with travel outlets seeing the most growth (5.6%). Standalone locations, however, will continue to capture the majority of consumer spending in the sector.

Thailand Historic Per Capita Spending on Foodservice by Type and Location in US$

Categories	2008	2009	2010	2011	2012	2008-2012 CAGR* (%)
Consumer Foodservice by Type	**309**	**315.9**	**320.4**	**315.9**	**322.3**	**1.1**
100% Home Delivery/Takeaway	9.0	9.7	9.9	10.1	10.5	3.9
Cafés/Bars	84.9	87.8	90.8	93.4	96.6	3.3
Full-Service Restaurants	72.5	72.6	71.3	69.4	71.2	-0.5
Fast Food	23.7	26.1	30.0	34.1	37.4	12.1
Self-Service Cafeterias	5.2	5.3	5.0	4.5	4.4	-4.5
Street Stalls/Kiosks	113.6	114.4	113.5	104.3	102.3	-2.6
Pizza Consumer Foodservice	3.8	4.1	4.1	4.1	4.4	3.8
Consumer Foodservice by Location	**309**	**315.9**	**320.4**	**315.9**	**322.3**	**1.1**
Through Standalone	190.3	193.3	193.9	187.8	189.3	-0.1
Through Leisure	11.3	11.9	12.2	12.0	12.2	2
Through Retail	72.0	76.1	79.0	81.2	85.3	4.3
Through Lodging	21.0	19.8	19.8	19.5	19.2	-2.2
Through Travel	14.4	14.8	15.4	15.4	16.3	3.2

Source: *Euromonitor International 2014* **CAGR = compound annual growth rate.*

Thailand Forecast Per Capita Spending on Foodservice by Type and Location in US$

Categories	2013	2014	2015	2016	2017	2013-2017 CAGR* (%)
Consumer Foodservice by Type	**334.6**	**347.9**	**362.2**	**378.3**	**396.3**	**4.3**
100% Home Delivery/Takeaway	11.0	11.5	12.0	12.4	12.9	3.9
Cafés/Bars	101.1	105.4	109.2	112.9	116.8	3.7
Full-Service Restaurants	74.5	77.4	80.8	85.5	91.4	5.3
Fast Food	41.2	45.2	49.2	53.5	58.0	8.9
Self-Service Cafeterias	4.3	4.2	4.2	4.2	4.2	-0.5
Street Stalls/Kiosks	102.5	104.1	106.7	109.7	113	2.5
Pizza Consumer Foodservice	4.7	5.0	5.3	5.6	5.8	5.5
Consumer Foodservice by Location	**334.6**	**347.9**	**362.2**	**378.3**	**396.3**	**4.3**
Through Standalone	195	201.4	209.5	218.3	228.2	4
Through Leisure	12.5	12.7	13.1	13.6	14.1	3.1
Through Retail	90.2	95.4	100	105.3	110.8	5.3
Through Lodging	19.8	20.2	20.5	20.9	21.7	2.3
Through Travel	17.2	18.1	19.0	20.2	21.4	5.6

Source: *Euromonitor International 2014* **CAGR = compound annual growth rate.*

SUBSECTORS

Street Stalls and Kiosks

Street stalls and kiosks, largely comprised of independent, family-owned businesses, dominate the foodservice industry in Thailand. The most popular cuisine is Asian fare and an abundance of options is provided by the large pool of independent stalls and kiosks, serving Thai, Japanese and Korean foods. Leaders in the subsector include Charoen Pokphand Group, Chay Si Ba Mee Kaew Co. Ltd., and Baan Rai Coffee House Co. Ltd. Between 2008 and 2012, the subsector registered a CAGR of -0.8%, yet had sales of US$6.9 billion, giving it the highest sales in Thailand's consumer foodservice. Growth is expected over the forecast period, with a CAGR of 2.9% and anticipated sales of US$7.8 billion by 2017. While the majority of these outlets operate as standalone units, there is a growing popularity toward placing them in retail locations.

In 2012, street stalls and kiosks saw over 6 billion transactions from over 90,000 outlets, and the subsector is expected to see little growth over the forecast period in both of these areas, with a CAGR of 0.3% and 0.1% respectively, for 2013 to 2017. Street stalls and kiosks averaged sales of US$76,536 per outlet and US$1.10 per transaction in 2012.

Cafés/Bars

This subsector is led by Thai nationals and international corporations, and had the second-highest sales per outlet in 2012. Furthermore, a recent Euromonitor report ("Consumer Foodservice by Location in Thailand", January 2014) indicated that cafés/bars had the highest sales in retail locations, with a 4% growth in 2012 sales. The cafés/bars subsector was valued at US$6.6 billion in 2012. Between 2008 and 2012, this subsector saw a CAGR of 4.1%, and is expected to grow even faster over the 2013-2017 forecast period with a CAGR of 4.1% reaching sales of US$8.1 billion. Top companies in the Thai cafés/bars subsector include PTT PCL, Starbucks Corp. and Black Canyon Thailand Co. Ltd., and McDonald's Corp.

The over 12,700 cafés/bars outlets in Thailand saw 296 million transactions in 2012. Outlets and transactions each recorded similar CAGRs of near 3.0%. Cafés/bars earned far more sales than the average foodservice outlet (US$512,000) with far fewer transactions in 2012, and with the highest average sales per transaction (US$21.10), of any consumer foodservice subsector.

Fast Food

The fast food subsector is a mix of chained and independent players, such as Seven & I Holdings Co. Ltd., Yum! Brands Inc., McDonald's Crop, and CoolBrands International Inc. The fast food sector had the largest sales CAGR (13.3%) and fourth-highest sales in 2012. The year-on-year growth rate for sales, however, have been on the decline since 2010 (14.6%), with the future sales growth rate to slow substantially to 8.9% by 2017. Even with a slowing of the growth rate, sales for the fast food sector will continue to grow, from US$2.5 billion in 2012 to US$4.0 billion in 2017. Increases in sales, combined with a slowing growth trend could be the result of competitive pricing campaigns being implemented by industry players, in a maturing market. The most popular location for fast food operations was in retail in 2012, especially for brands such as KFC, McDonald's, Mister Donut, and Chesters Grill, all leading players.

A little over 14,000 fast food outlets recorded 1.0 billion transactions in 2012, having grown by a compound annual rate of 8.9% and 12.4% respectively, since 2008. Fast food outlets have seen the most growth in numbers and are expected to continue expansion, at a slower rate, across Thailand, reaching just over 18,000 units by 2017. In 2012, fast food saw an outlet's average sales equal US$175,629, with an average transaction value of just US$2.40, the second-lowest across the entire sector. Comparatively, fast food outlets had the second-highest number of transactions in the Thai foodservice industry in 2012. High transaction numbers combined with low average sales per transactions (indicative of cheap food) are signs that Thai foodservice consumers have some price sensitivity, in combination will aggressive marketing campaigns being carried out by vendors.

Full Service Restaurants

Full-service restaurants in Thailand had the third-largest value sales in 2012, at US$4.8 billion, and showed the fifth-largest CAGR from 2008 to 2012, at 1.1%. Full-service restaurants in Thailand are expected to have the third-highest growth rate in the foodservice sector by 2017, which could translate into US$6.3 billion in sales, based on a CAGR of 5.7%. In 2012, one of the most popular locations for full-service restaurants was as a standalone unit, however, there is movement toward locating full-service restaurants in retail locations, according to Euromonitor ("Consumer Foodservice By Location in Thailand.", January 2014). Top industry players in this subsector are MK Restaurants Co. Ltd., Thai Beverage PCL, Fuji Tsukui Group, S & P Syndicate PCL, and Bar B Q Plaza Corp.

In Thailand full-service restaurants grew in numbers and so did the number of transactions, strong indicators signifying increased patronage to venues in this subsector. There were 10,071 full-service restaurant outlets in 2012, with transactions totaling 807.4 million. Expectations are that full-service restaurants will grow in numbers to 14,396 venues supported by a CAGR of 2.3% in 2017.

100% Home Delivery/Takeaway

The 100% home delivery/takeaway subsector is one of the smallest foodservice subsectors in Thailand. The market was valued at US$714 million in 2012, and registered a CAGR of 5.3%, making it the third fastest-growing foodservice subsector that year. Over the forecast period of 2013 to 2017, 100% home delivery/takeaway sales are expected to rise only slightly reaching US$892 million, with a slightly weaker anticipated CAGR of 4.3%. There are only four companies leading this subsector in 2012, who claim approximately 85% of the market in sales: Minor International PCL, Yum! Brands Inc., Thai Beverage PCL and Suthep Delivery Co. Ltd.

In 2012, there were 3,787 outlets in the 100% home delivery/takeaway subsector, and 180 million transactions. This subsector had the third-largest growth in transactions by foodservice type, from 2008 to 2012, and is expected to maintain it's position into 2017. By outlets, this subsector will also maintain its fourth-largest ranking into 2017, with a CAGR of 1.2%. A typical outlet earned US$188,699 in 2012, or US$4.0 per transaction.

Pizza Consumer

Pizza venues in Thailand captured sales equalling US$296 million in 2012, and the second-highest CAGR (6.1%) posted by all foodservice types. Pizza sales accounted for a very small portion of foodservice sales from 2008 to 2012. Sales of pizza in Thailand are expected to reach US$403.3 by 2017. The forecasted CAGR from 2013 to 2017 will dip slightly to 6.0%. There are only three companies leading this subsector in 2012, who claim approximately 85% of the market in sales: Minor International PCL, Yum! Brands Inc, and Narai Group.

There were only 486 outlets in Thailand, in 2012, with a total of 25,693 transactions. The average sales per outlet in 2012 was $US610,714, and the average sales per transaction (the second-highest in the foodservice sector), was US$11.60. Growth in the pizza industry is expected to slow reaching only 516 outlets by 2017, a CAGR of 1.0%.

Self-Service Cafeterias

In Thailand, self-service cafeterias are showing the deepest decline in numbers. This subsector has seen its market sales trending downwards since 2009, with a CAGR of -3.2% from 2008 to 2012. The subsector also had the lowest sales in 2012 (US$295.1 million). Total sales values are expected to continue falling to US$290.5 million by 2017. The CAGR seen by self-service cafeterias from 2008 to

2012 was -3.2%, and is forecast to end with a CAGR of -.04% in 2017. This data suggests self-service cafeterias are falling out of favour with Thai consumers.

The number of self-service cafeterias in Thailand totaled 704 in 2012, with 69.6 million transactions. The average outlet earned sales of US$420,106, with an average sale per transaction of US$4.20.

LOCATIONS

Almost 72% of Thailand's foodservice outlets are standalone locations, representing over 95,000 outlets, with sales of US$12.8 billion in 2012. However, standalone foodservice recorded below average growth rates for sales and outlet numbers from 2008 to 2012. Over this period, retail was the best performer in terms of sales growth, with a CAGR of 5.6%, and is expected to grow to a CAGR of 5.8% by 2017, with sales reaching US$27.5 billion. Retail is expected to be the fastest-growing foodservice location in terms of outlet numbers, with a projected CAGR of 3.6% from 2013 to 2017.

Market Value and Growth of Thailand Foodservice by Location
Historic and Forecast Comparative

Location	Market Value (US$ millions)		CAGR* (%)	
	2012	2017^F	2008-2012	$2013\text{-}2017^F$
Total consumer foodservice by location	**21,875.40**	**27,478.80**	**2.4**	**4.8**
Standalone	12,847.10	15,826.70	1.3	4.5
Retail	5,791.60	7,686.60	5.6	5.7
Lodging	1,303.10	1,504.80	-0.4	2.8
Travel	1,103.30	1,483.20	4.2	6
Leisure	830.2	977.5	3.3	3.6

Source: *Euromonitor International 2014* **CAGR = compound annual growth rate.*

Market Value and Growth of Thailand Foodservice by Outlet
Historic and Forecast Comparative

Location	Outlet Numbers		CAGR* (%)	
	2012	2017^F	2008-2012	$2013\text{-}2017^F$
Total consumer foodservice by outlets	**132,494**	**139,951**	**1.7**	**1.1**
Standalone	95,029	98,658	1.2	0.8
Retail	21,756	25,917	4.8	3.6
Lodging	3,050	2,826	0.3	-1.9
Travel	7,462	7,762	1.8	0.3
Leisure	5,198	4,788	-0.4	-1.8

Source: *Euromonitor International 2014* **CAGR = compound annual growth rate.*

FOOD VERSUS DRINK

The ratio of food versus drink purchases in Thailand foodservice has seen little movement in spending over the reporting period. Food spending share grew from 2008 to 2012 in only one venue – full-service restaurants – rising minimally from 65% of foodservice sales to 65.8%. The percentage of food spending has fallen minimally in 100% home delivery/takeaway, cafés and bars, fast food, and in self-service cafeterias. The only venue where spending remained relatively unchanged was in street stalls and kiosks.

Beverage's spending portion of total sale transaction was highest in cafés and bars, with small increases in the spending pattern since 2008. Beverages saw growth in share of total sale transaction in three other venues (self-service cafeterias, fast food, and 100% home delivery and takeaway). Beverage share of total sales dropped only in full-service restaurants in 2012.

Thailand Food vs Drink Historic Sales by Foodservice Value by % Breakdown

Categories	2008		2008		2009		2010		2011		2012	
	Food	Drink	Food	Drink	Food	Drink	Food	Drink	Food	Drink	Food	Drink
Consumer Foodservice by Type	58.6	41.4	58.9	41.1	58.9	41.1	58.4	41.6	57.6	42.4	57.3	42.7
100% Home Delivery/Takeaway	86	14	85	15	85	15	85	15	84.5	15.5	84.5	15.5
Cafés/Bars	25	75	26	74	26	74	25.8	74.2	25.5	74.5	25.2	74.8
Full-Service Restaurants	65	35	65	35	65.5	34.5	65	35	65.3	34.7	65.8	34.2
Fast Food	68.5	31.5	68	32	68	32	67.5	32.5	67.5	32.5	67	33
Self-Service Cafeterias	93	7	92.8	7.2	92.8	7.2	92.8	7.2	92.8	7.2	92.5	7.5
Street Stalls/Kiosks	74	26	74	26	74	26	74	26	74	26	74	26

Source: *Euromonitor, 2014.*

TOP COMPANIES

Most of the industry players in the foodservice industry in Thailand are domestic and independent operators. The largest sales seen in 2012 came from the café's/bars and street stall/kiosks subsectors. Euromonitor reports multinationals in the foodservice sector are using pricing promotions and marketing campaigns to gain an edge. Much of the multinationals are chained operators, who combined accounted for approximately 25% share of foodservice sales in 2012.

A closer look at the a very competitive foodservice industry in Thailand reveals, that combined, the top brands (37) own only 20% of the market place in 2012, in contrast to 80% belonging to independents. Twenty-seven companies own the top 37 brands. Seven companies had two brands in this market over this reporting period. In 2012, the data shows that Thailand consumers are eating more chicken, with two of the most popular chain brands being KFC and 5 Star Grilled Chicken in 2012.

Top Five Chained Outlets in Thailand by Brand Market Share in 2012

Chain	Market Share %	Number of Outlets
7-Eleven	24	6,822
MK Suki	9	395
KFC	6.1	457
5 Star Grilled Chicken	4.0	2,500
The Pizza Co.	3.2	241

Source: *Euromonitor International. 2014*

Thailand Top 15 Foodservice Operators by Brand Sales Percentage 2008 to 2012

Company	Brand	Market Share %
Seven & I Holdings Co. Ltd.	7-Eleven	6.2
MK Restaurants Co. Ltd.	MK Suki	2.3
	Yayoi	0.2
Yum! Brands Inc.	KFC	1.6
	Pizza Hut	0.2
Charoen Pokphand Group	5 Star Grilled Chicken	1.5
	Chesters Grill	0.2
Minor International PCL	The Pizza Co.	0.8
Chay Si Ba Mee Kaew Co. Ltd.	Chay Si Ba Mee Kaew	0.7
S & P Syndicate PCL	S & P	0.6
McDonald's Corp.	McDonald's	0.5
Fuji Tsukui Group	Fuji Japanese Restaurant	0.5
Starbucks Corp.	Starbucks	0.4
CoolBrands Int'l. Inc.	Swensen's	0.4
Thai Beverage PCL	Shabushi	0.2
	Oishi Ramen	0.1
Bar B Q Plaza Corp.	Jum Sab Hut	0.2
	Bar B Q Plaza	0.1
Central Retail Corp.	Zen	0.2
	Tops	0.1
PTT PCL	Café Amazon	0.1
	Jet Jiffy	0.1

Source: *Euromonitor Int'l. 2014*

Foodservice Operators with Multiple Brands in Thailand 2008 to 2012

Company	Brand	Market Share %
MK Restaurants Co. Ltd.	MK Suki	2.3
	Yayoi	0.2
Yum! Brands Inc.	KFC	1.6
	Pizza Hut	0.2
Charoen Pokphand Group	5 Star Grilled Chicken	1
	Chesters Grill	0.2
Thai Beverage PCL	Shabushi	0.2
	Oishi Ramen	0.1
Bar B Q Plaza Corp.	Jum Sab Hut	0.2
	Bar B Q Plaza	0.1
Central Retail Corp.	Zen	0.2
	Tops	0.1
PTT PCL	Café Amazon	0.1
	Jet Jiffy	0.1

Source: *Euromonitor Int'l. 2014*

Seven & I Holdings Co. Ltd.

Seven & I Holdings Co. Ltd. is the leading company in Thailand's sector, with sales of US$1.4 billion in 2012, or 6.2% of the total market, and more than 6,800 outlets. The company operates the 7-Eleven chain and has experienced strong sales growth in recent years, with an average growth rate of 4.6% from 2008 to 2012.

MK Restaurants Co. Ltd.

MK Restaurants Co. Ltd. is the second-largest foodservice company in China, holding a 2.5% share of the market with sales of US$564 million in 2012, and over 475 outlets. The MK Suki brand is the company's leader in sales and has been operating in Thailand for over 20 years. Suki is a uniquely Thai dish that has gained in popularity. The dish is predominantly made with vegetables and various cuts of meats and seafood. The meal is boiled, enabling it to capitalize on the healthier eating trend in Thailand.

Yum! Restaurants

For 2012, Yum! Brands (the owner of KFC and Pizza Hut), was the third-largest foodservice company in Thailand, with US$397 million in sales. The KFC brand accounted for 1.6% of the company's total market share of 1.8% in 2012. Their Pizza Hut brands market share has been relatively unchanged since 2008, despite the fact that pizza consumer foodservice types experienced the third-largest sales growth in 2012 (1.8%). Combined, there are over 500 KFC and Pizza Hut outlets in Thailand. YUM! Brands have built a global reputation of serving quality ingredients.

Charoen Pokphand Group
Charoen Pokphand Group is a Indonesian-owned conglomerate with a global presence with core businesses in agribusiness and food, retail and distribution. In Thailand alone, the company had 96 subsidiaries with business operation and business related operation, as of 2011. The company is known for its vertical integration of business lines, owning breeding farms, slaughterhouses, processed food facilities and its own chain of restaurants. Their massive investment in poultry has been credited with changing Asian eating habits upping per capita consumption.

CONCLUSION

In a recent Euromonitor report ("Consumer Foodservice in Thailand", January 2014) predictions are that foodservice will see a small but gradual expansion, with a 1.1% CAGR. Chain operators are expected to fare better than independents, and will continue to see a growing share of foodservice sales. Fast food is expected to show the fastest growth in outlet expansion, and continue to compete aggressively through promotions to stimulate sales. Cafés and bars have been one of the top foodservice performers, based on sales, and are predicted to overtake street stalls and kiosks as the best performing foodservice venues by 2017.

Stand-alone locations are thriving in Thailand and accounted for 57% of sales in 2012. They also see the highest per capita spending, a trend that is expected to continue into the foreseeable future. Retail is expected to be the highest-growth site of all locations, supported mainly by the growing emergence of fast food outlets.

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Foodservice Profile in Thailand

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