

Chapter 6.7

FOOD & BEVERAGE SERVICES

OVERVIEW

The food & beverage services sector contracted by 1.5 per cent year-on-year in the fourth quarter of 2023, reversing the 2.9 per cent growth in the previous quarter.

For the whole of 2023, the sector expanded at a slower pace of 4.1 per cent compared to the 15.4 per cent growth in 2022.

FOOD & BEVERAGE SALES

Overall food & beverage sales volume declined by 1.8 per cent year-on-year in the fourth quarter of 2023, reversing the 3.0 per cent expansion in the preceding quarter (Exhibit 6.17). The decline was led by the restaurants (-7.4 per cent), fast food outlets (-7.2 per cent) and cafes, food courts & other eating places (-0.1 per cent) segments. On the other hand, sales of the food caterers segment continued to grow (8.8 per cent) due to the continued recovery in leisure, business and MICE events. All segments, except for fast food outlets, remained below pre-COVID (i.e., fourth quarter of 2019) levels.

For the whole of 2023, the food & beverage services volume index grew by 4.2 per cent. This was a moderation from the 19.6 per cent increase recorded in 2022. Nonetheless, the overall food & beverage sales volume remained 5.5 per cent lower than that in 2019. At the segment level, the sales volumes of food caterers (30.4 per cent) and cafes, food courts & other eating places (2.5 per cent) grew, while that of fast food outlets remained flat (0.0 per cent). On the other hand, the sales volume of the restaurants (-0.7 per cent) segment shrank.

Exhibit 6.17: Changes in Food and Beverage Services Index in Chained Volume Terms

