



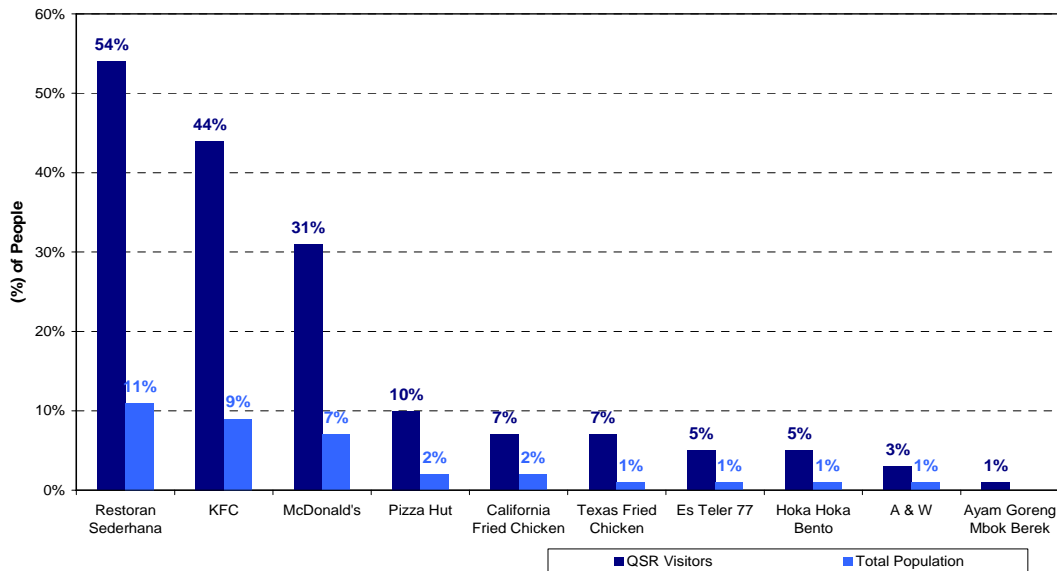
More people want to eat out more often, but most aren't able to.

In a country the size of Indonesia, eating out adds up to big business right around the country. Whether it's a warung, a takeaway outlet, a quick-service or conventional restaurant, every form of eating out is visibly growing. If growing incomes were not being stymied by the runaway hikes in the cost of food and transportation, more people would be eating out than actually are today.

Almost half the population ate at a warung at least once in the last three months, many of them regularly. About 13 per cent of the population dines out at a restaurant at similar intervals, amounting to significant volumes. In comparison, just over 10 per cent of the population patronise fast-food restaurants, led by the modest but immensely popular Restoran Sederhana. Not surprising, considering the fact that eight out of ten people "like to have traditional meals at home". Regardless of the kind of outlet, almost twice the number of men compared to women are eating out. In a society where two out of three women above the age of 25 are housewives, many of the men are eating out at work. Half the men "don't have the time to spend cooking", in contrast to one in five women. One in three women "often buy takeaway food to eat at home", with just as many saying "If I could afford to eat out every night I would". Almost 40 per cent of men also share the same sentiments.

National averages change predictably, when filtered by the urban-rural, young-old or rich-poor divides. These differences are easily measured in the organised fast-food sector. Growth in the number of visitors to these outlets "during the last three months" has almost doubled in the last two years. That doubling in the number of patrons has not seen a corresponding growth in the number of new visitors to the old established international brands of quick-service restaurants (QSR) like KFC, McDonald's or Pizza Hut.

TOP 10 QUICK SERVICE RESTAURANT CHAINS



Local chain Restoran Sederhana has attracted more new visitors than any other, even if we take into account the possible confusion in the minds of those who may have visited a copycat “Sederhana” somewhere around the country. On the other hand, newer international entrants like Burger King, Izzi Pizza and Wendy’s are adding to the competition in the sector.

Of all the people who have been to a QSR in the last 6 months, 54 per cent have been to the local legend, followed by KFC with 44, McDonald’s at 31, Pizza Hut at 10, California Fried Chicken at 7, Texas Fried Chicken also at 7, with Es Teler 77 and Hoka Hoka Bento at 5 per cent each. A&W with 3 per cent and Ayam Goreng Mbok Berek with 1 per cent bring up the rear of the Top 10 QSR chains in the country. However, when measured by visitation “in the last four weeks”, around three out of four patrons drop out almost uniformly from each outlet.

These observations are based on Roy Morgan Single Source, the country’s largest syndicated survey with over 27,000 Indonesian respondents annually, projected to reflect almost 90% of the population over the age of 14. That is a universe of 140 million people. The results are updated every 90 days. They are markedly different to numbers quoted by several QSRs who periodically conduct their own research in some of the big cities. Without a constant finger on the national pulse, tunnel vision can be both deceptive and dangerous. The opinions expressed are my own.

There are several reasons why visits to QSRs in Indonesia are as infrequent as they are. To the overwhelming majority, eating out is a luxury, a rare treat. This is true also for most of the 10 per cent of the population who have been to one in the last six months, with only about 3 per cent at the top-end of town able to afford frequent visits with the family. Young people, students, professionals and young parents alike, make up the bulk of the traffic to fast food restaurants.

While these age groups are similar to visitor profiles in Western countries, the socio-economic groups are dramatically different. Fast food is cheap and convenient in affluent countries, the primary reason for workers with modest incomes to grab a quick and tasty meal. It is also a fun outing for children of all sections of societies there, but the calorie-rich meals are being blamed for the obesity epidemics raging in countries like the United States and Australia. Fortunately, that is one problem that has yet to affect Indonesia, a country with only around 14 per cent of the population with a Body Mass Index (BMI) indicating overweight and obesity concerns. To their credit, companies like McDonald’s have reacted positively to such criticism, transforming themselves with new menus also offering healthy alternatives like low-calorie salads, wraps and sandwiches.

If we are indeed what we eat, then most Indonesians are doing much better with their BMI than their counterparts in more affluent countries.

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