



Catering Industry Transformation Driven by Consumption Upgrade

Catering industry outlook and
discussion on common issues

Report Abstract



Making another century of impact
德勤百年庆 开创新纪元

China's catering industry has been integrated during the 12th Five-Year Plan period while high-grade catering consumption has been pent up, dragging down the overall industry growth. With strong consumption upgrade in 2016, the first year of China's 13th Five-Year Plan, public catering consumption has started to grow rapidly with more diversified service targets and demands. Technological advances have also reshaped the consumption via consumers' decision-making processes and payments. Driven by complex and changing demands as well as advancements in technology, catering, one traditional service industry, has seen a new round of opportunities for transformation and upgrading. Stable consumption growth helps strengthen the long-term positive prospect of catering market and attract more capital and crossover competitors. Deloitte believes that China's catering industry will reach to a new stage of diversified development and competition over the next few years. Key observations of this report are as follows:

Consumption upgrade leads a rapid recovery in catering. In the trend of consumption upgrade, public catering has become the pivotal force in boosting the industry growth, as consumers are more willing to dine out. Meanwhile, the rising next generation of consumers bring more diversified demands, creating scope for growth in different types of catering categories.

Chain catering enterprises drive the entire industry to scale up and develop effectively. In recent years, chain enterprises with efficient operation and rapid expansion are taking center stages. Based on the findings of studies on these enterprises, business format/ brand innovation, digital transformation, industry chain extension and capital market operation will be the major development directions. Such measures will facilitate the industry transformation and upgrade in terms of product, service, quality and efficiency. Although the concentration of China's catering industry remains low with a lack of enterprises at ten-billion level, there is much development space for chain catering groups and the industry is expected to see further expansion and integration.

The rise and adoption of technology promote the digital transformation of catering industry. Technology adoption, represented by the Internet, provides new channels for catering enterprises to connect with consumers and strong support for enterprise management. And thereby digital transformation proves to be one key development direction for catering enterprises. The application of emerging technologies, including big data and Internet of Things, also helps drive up the operation and management of catering enterprises.

Catering industry is more active in capital market. Catering enterprises have gained increasing attention from capital market and started engaging more actively in the capital operation. The approved IPO application of Guangzhou Restaurant puts an end to the absence of catering enterprises listing in the A-share for years, expecting to open up a new door for A-sharing listing of catering enterprises. Smaller catering enterprises have listed in NEEQ to obtain attention and support from capital. PE/VC investment for catering enterprises has also increased constantly with a sizable percentage invested in enterprises in angel rounds, reflecting investors' optimism for catering industry.

Policy guidelines shall not be overlooked: tax compliance and food safety have become the regulation focus in catering industry. As the impact of policy guidelines on the industry is a major systematic risk for its development, catering enterprises need to develop prior planning with full attention to compliance issues to be not affected. Recent policies indicate that food safety has become the regulation focus while supporting the healthy industry growth; and relevant laws and regulations have been improved, tightening restrictions on enterprises. Tax and other issues caused by VAT reform also require sustained attention. For successful listing, enterprises shall advert to compliance in various aspects in early stages and avoid being impacted by non-compliance on listing progress.

关于德勤全球

Deloitte（“德勤”）泛指一家或多家德勤有限公司（即根据英国法律组成的私人担保有限公司，以下称“德勤有限公司”），以及其成员所网络和它们的关联机构。德勤有限公司与其每一家成员所均为具有独立法律地位的法律实体。德勤有限公司（又称“德勤全球”）并不向客户提供服务。请参阅 www.deloitte.com/cn/about 以了解更多有关德勤有限公司及其成员所的详情。

德勤为各行各业的上市及非上市客户提供审计及鉴证、管理咨询、财务咨询、风险咨询、税务及相关服务。德勤透过遍及全球逾 150 个国家与地区的成员所网络为财富全球 500 强企业中的 80% 企业提供专业服务。凭借其世界一流和高质量的专业服务，协助客户应对极为复杂的商业挑战。如欲进一步了解全球大约 245,000 名德勤专业人员如何致力成就不凡，欢迎浏览我们的 Facebook、LinkedIn 或 Twitter 专页。

关于德勤中国

德勤于 1917 年在上海设立办事处，德勤品牌由此进入中国。如今，德勤中国的事务所网络在德勤全球网络的支持下，为中国本地和在华的跨国及高增长企业客户提供全面的审计及鉴证、管理咨询、财务咨询、风险咨询和税务服务。德勤在中国市场拥有丰富的经验，同时致力于为中国会计准则、税务制度及培养本地专业会计师等方面的发展作出重要贡献。敬请访问 www2.deloitte.com/cn/zh/social-media，通过德勤中国的社交媒体平台，了解德勤在中国市场成就不凡的更多信息。

本通信中所含内容乃一般性信息，任何德勤有限公司、其成员所或它们的关联机构（统称为“德勤网络”）并不因此构成提供任何专业建议或服务。在作出任何可能影响您的财务或业务的决策或采取任何相关行动前，您应咨询合资格的专业顾问。任何德勤网络内的机构均不对任何方因使用本通信而导致的任何损失承担责任。



Making another century of impact
德勤百年庆 开创新纪元