

## **IPS study finds regional differences in cost of eating out in Singapore's hawker centres, food courts and kopitiam**

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The Institute of Policy Studies (IPS) has published a study titled "The Cost of Eating Out: Findings from the Makan Index 2.0", which examines the costs of eating out in Singapore's hawker centres, food courts and kopitiam.

The study is aimed at better understanding the costs of living in Singapore and does not provide any value judgement on the pricing strategy of food establishments.

The survey examined a variety of food and drink items commonly consumed during breakfast, lunch, or dinner.

Researchers also took into account dietary restrictions when selecting which food items to consider.

A total of 18 items were included in the study, including kopi-o (black coffee), breakfast sets, mee rebus, wanton noodles, economy rice, and economy bee hoon sets.

Researchers then collected drink and food prices from the menus of 829 food establishments, comprising 92 hawker centres, 101 food courts, and 636 kopitiam within 26 residential neighbourhoods in Singapore.

The study found that the average cost of breakfast is S\$4.81, lunch is S\$6.01, and dinner is S\$6.20. Each meal comprises a food item and a drink. When adding up all three meals, an individual spends an average of S\$16.89 if they eat at hawker centres, food courts, and kopitiam.

Researchers also found "regional differences" for nine out of 18 food and drink items surveyed.

All the drinks and chicken chops were the cheapest in the central region of Singapore. Breakfast sets and fishball noodles were the cheapest in the north of Singapore. Roti prata was the cheapest in the western region.

Food courts generally priced their offerings at higher prices, followed by kopitiam and then hawker centres. The food items that did not follow these trends were breakfast sets, chicken rice, economic rice and vegetarian bee hoon sets.

The study found that the cost of food cannot be predicted solely by distance from the city centre or housing prices in the area.

In fact, the study revealed that areas with a higher proportion of socio-economically vulnerable people tend to have cheaper food prices.

While the demand is less elastic in the central business district (CBD) areas, competition among stalls selling the same food items acts as a price dampener. Interestingly, the cost of eating out is not dictated by the wealthiest in the area, but by the lower-income residents.

The survey comes amid the rising cost of living, with Singapore's core inflation rate rising by 5.5 per cent in January, the fastest pace in over 14 years and the hike of 1 per cent in Goods & Services Tax (GST) on 1 January 2023.

Around 7.4 per cent of a household's expenditure is spent on the types of food that hawker centres, food courts and coffee shops serve, according to the Household Expenditure Survey in 2017 and 2018.

Additionally, the study found that most stall owners in the 50 revisited food establishments did not increase their prices, with a majority increasing their prices only by a small margin.

The average increases in prices at these revisited stalls did not exceed S\$0.30 and did not go above S\$0.10 for most food items.

The researchers found that stall owners often sought to justify the prices of their food, took pride in keeping their prices the same despite inflationary pressures, and were reluctant to increase prices in order not to drive customers away.

The study's reliance on menu prices instead of conducting interviews with stall owners may have resulted in some prices being understated, particularly if menu prices were not updated regularly.

Additionally, the prices of food items were recorded at their face value and did not account for differences in quality and quantity between various food items.

The study also revealed that areas with higher proportions of households without family nuclei generally have lower food prices, while those in costlier areas may have limited access to affordable food.

The researchers suggest that in order to prevent the development of pockets of affordable and affluent neighbourhoods, more efforts should be made to ensure that affordable food options are available throughout Singapore and accessible to socially disadvantaged residents.

Tables in the Article:

1 URA planning zone	3 data points per item from hawker stalls and/or coffee shops	Rice, two vegetables and one meat
		Rice, one vegetable and two meats
		<i>Nasi goreng</i>
		Chicken rice
		Chicken <i>biryani</i>
		Iced Milo
		Black coffee with sugar

	Region	URA Planning Zone	Makan Index
1	Central	Bukit Merah	1.000
1	Central	Queenstown	1.000
3	Central	Toa Payoh	1.027
4	Central	Novena	1.029
5	Central	Kallang	1.035
6	North-East	Punggol	1.046
7	East	Bedok	1.049
8	North	Yishun	1.067
9	Central	Bukit Timah	1.069
10	North-East	Ang Mo Kio	1.081
11	North-East	Serangoon	1.086
12	East	Tampines	1.094
12	North-East	Hougang	1.094
12	North-East	Sengkang	1.094
15	West	Jurong East	1.098
16	West	Bukit Panjang	1.101
17	West	Clementi	1.115
18	Central	Geylang	1.118
19	West	Bukit Batok	1.133
20	West	Choa Chu Kang	1.137
21	East	Pasir Ris	1.138
22	West	Jurong West	1.142
22	North	Woodlands	1.142
24	North	Sembawang	1.155
25	Central	Marine Parade	1.164
26	Central	Bishan	1.185