The white color stands for purity

The red color stands for brotherhood and equality

The crescent moon represents a young nation

The five stars represent democracy, progress, peace, justice, and equality
CULTURAL ENVIRONMENT

- Official Languages: English, Malay, Mandarin, and Tamil.
- Majority: Buddhists, Christians, Muslims...
- Population: 5.7 million in 2017
VESAK CELEBRATION

- Vesak day: most sacred day in the Buddhist calendar.
- Observed on the day of the full moon in May. This year May 10, 2017
CHRISTMAS IN SINGAPORE

- December 25
- A family holiday
- Celebrated exactly like it is here
(Eid Al-Fitr): First day after the month of Ramadan in the Islamic calendar

This year: 10/1/1438 AH - June 25, 2017
Their food is influenced by many cultures:

- Chinese
- Indonesian
- Indian
- Other
POPULAR DISHES

Laksa

Chilli Crab

Satay
Singaporeans are moving towards:

- Cheaper food
- Faster food
- Healthier food
- Non traditional meals
Main Differences:

- Collective country
- Risk takers
- More indulgent
- High power difference
POLITICAL ENVIRONMENT

• Republic based on parliamentary democracy - Ruled by People’s Action Party (PAP)
  • President - Largely ceremonial
  • Prime Minister (Lee Hsien Loong - Since 2004) - Executive Power
• Some civil liberties are still restricted
  • Examples: Freedom of Assembly and Freedom of Speech
ECONOMIC ENVIRONMENT

- Economic System: *Free Market Economy*
  - Includes a Population of 5.5 Million people
    - 75% Chinese, 15% Malays, 7% Indians,
      3% Japanese, Arabs & Europeans
  - Unemployment Rate: Low 3.3%
  - Inflation: -0.5%, Inflow: 65.3%
ECONOMIC ENVIRONMENT

- GDP (PPP)
  - $296.97 Billion in PPP at the end of 2016 (In 2015, $292.74)
  - 2.0% annual growth
  - Proposed 4% growth in the next 5 years
  - Third highest per-capita with $85,253 per capita
Main Industries:
- Tourism
- Imports
- Biomedical Science
- Banking and Finance
- Construction
MONETARY ENVIRONMENT

• Currency System
  • Official Currency: Singapore Dollar
  • Currency Rate: $0.74 USD per $1 Singapore dollar
  • Issuance: DBS Bank Singapore
LEGAL ENVIRONMENT

- Favorable toward foreign investors - subject to the same laws
  - Not required to cede control to local interests
  - No restrictions on reinvestment of earnings or capital
- Sanctity of contracts are upheld by the judicial system
  - Decisions are transparent and effectively enforced
TAX SYSTEM IN SINGAPORE

- Flat Corporate tax rate of 17%
- Capital gains are not taxable
- Tax exemptions are available if business qualifies
- Two corporate income tax forms to IRAS every year
● Trade balance is structurally positive and will continue to trend positive

● US-Singapore has a bilateral Free Trade Agreement
  ○ Implemented on January 1, 2004
  ○ United States 19th largest trading partner & 13th largest export market
United States is Singapore’s largest foreign investor

Singapore’s value of exports and imports equal 326 percent of its GDP

Currently Singapore has a trade surplus of 2.95 billion

Risks

- No customs recording system
  - No way to monitor counterfeit goods
DINING INDUSTRY TRENDS

- Industry is growing as the economy is growing
- More people are eating out
- Quick food is becoming more popular
- Hawker food stands are the most popular for now
MCDONALD’S DOMINATION

- Main competitor in the fast food market
- Competitive advantage:
  - Size,
  - Efficient cost reduction
  - Technological advancements
BUSINESS ENVIRONMENT

• World’s easiest place to do business
  • Most transparent and efficient
  • No minimum capital required
  • Labor markets function well
  • Flexible labor regulations

• Benefits doing business in Singapore
  • Attractive corporate tax rates
  • Availability of funding
  • Talented workforce
  • Low crime rates
OPENING A BUSINESS

• Review eligibility requirements
  • Undischarged bankruptcies or serious criminal background
  • Owner must be a Singapore Ordinarily Resident or have a local manager

• Register business name via Account & Corporate Regulatory Authority (ACRA) website
  • Cost is S$15 or $11.14
OPENING A BUSINESS

• Choose a business structure
  • Limited Liability Company, Foreign Company, Sole Proprietorship, or Partnership
• Choose a business location - must have Singapore address
• Obtain a business permits and licenses
• Open a corporate bank account and engage a professional
OPENING A BUSINESS

- Register online via the Accounting & Corporate Regulatory Authority (ACRA) website
  - Applications are processed immediately with paid fee
    - Fees for locals: (S$50 - S$600 or $27.13 - $445.51)
    - Fees for foreigners (S$300 - S$1200 or $222.75 - $891.01)
    - Processing time: 14 days to 2 months
OUR RECOMMENDATION

- Open a restaurant in Singapore?
  - Political environment: Stable
  - Economic Stability: Good
  - Culture: Open to foreigners
  - Trends: Towards eating out

- Risks to Consider:
  - Trade: Import risks
  - Trends:
    - Move to quick dining
    - Healthier options
REFERENCES


