



وزارة الاستثمار  
Ministry of Investment

# SAUDI CULINARY INCUBATOR AND ACCELERATOR

Investment Opportunities

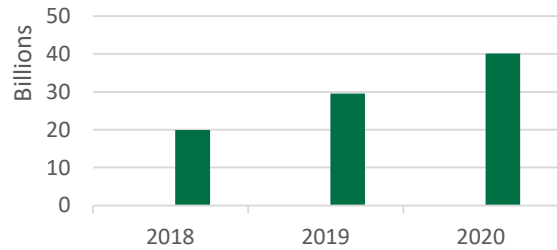


# SAUDI CULINARY INCUBATOR AND ACCELERATOR

**OPPORTUNITY'S DESCRIPTION:** A Saudi food incubator and accelerator in which entrepreneurs get the full support to start their new culinary concept such as restaurants, pop up concepts and apps

## DEMAND

Food & Beverage Point of Sales Forecast



Sales in Saudi Riyals

## INVESTMENT HIGHLIGHTS

- Operator can choose from multiple investment models including pure play private investment, public private partnership and pure operation model with government ownership
- Varies depending on the model of the accelerator
- Total market size of “creative, arts and entertainment” activities is ~SAR 2.4B with a CAGR of ~4%

## INVESTMENT OVERVIEW

### VALUE PROPOSITION

- Saudis are avid travelers and spenders, due in large to deficiency in local offerings, spending USD 5.6 Bn annually on leisure, where 80% is spent abroad
- Increased number of leisure activities, sports, concerts, and events in KSA also positively impacts the food & beverage sector. This growth already appears in increased mobile delivery applications, food trucks, and international and local restaurants in large cities
- Great cuisines typically influence food culture around the world and is viewed as a form of art by many. Moreover, Saudi Arabian cuisine, despite being rich in culture and history, has not been utilized to its full potential

## KEY DEMAND DRIVERS

- KSA has a rapidly growing and young population which will boost demand. More than 50% population of KSA is less than 30 years old
- High demand for the Food & Beverages industry is expected to be driven by Saudi Arabia new infrastructure developments, enhancement of the culture & entertainment sectors and government initiatives such as the relaxation of visas, etc...
- Network support and support with marketing
- Connecting startups with investment through other available government funds (e.g. Munsha'at loans, Jada funds, etc.)

## MARKET OVERVIEW

### MARKET READINESS

- High market demand, e.g. more than 90% of Riyadh's population (7.8 million people) eats out at least once a week.
- The average monthly spend per person on eating out in a restaurant or ordering for delivery in Saudi Arabia is approximately SAR1,330 (USD355).

### COMPETITOR ANALYSIS

- Fine Dining offering was limited a few years ago, however, the number of Fine dining in Saudi is growing due to the massive demand. Yet The Saudi Cuisine has great potential to be utilized

### GLOBAL TRENDS

- Culinary tourism, where individuals' exploration of food is the purpose of tourism. It is now considered a vital component of the tourism experience.
- 53% of leisure travelers choosing their next destination because of food and drink. That means more than attractions, more than sightseeing, more than scenery or architecture, and more than price, good food and drink are a driving force in which destinations travelers now choose.



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## SUPPLY

### SCALABILITY AND LOCALIZATION

- Support in content creation through coverage opportunities and expert network access
- Low cost of construction, labor wages and utility fees combined with availability of trained resources to support low capital and operating expense for the investor and maximize investment returns
- The government has already started restructuring visa processes and issuing online visas. This will boost pilgrimage and touristic visits to KSA in the coming years

Grade: Low Medium High

## ENABLING FACTORS

### ENABLERS

- Permit by Ministry of Municipal and Rural Affairs (MOMRA) for building commercial facilities
- License from Ministry of Commerce for local investment in the Kingdom

### KSA CALUINARY STEAKHOLDERS



وزارة التجارة



وزارة الاستثمار  
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هيئة فنون الطهي  
Culinary Arts Commission



وزارة الثقافة  
Ministry of Culture



Ministry of Human Resource  
and Social Development  
Kingdom of Saudi Arabia



صندوق التنمية الثقافي  
Cultural Development Fund



وزارة الشؤون  
البلدية والقروية  
Ministry of Municipal & Rural Affairs



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