



## India - Restaurants

# I Will Survive – Defying The Market Share Gain Hypothesis

**COVID boons and banes:** Both a boon and a bane, COVID has transformed the F&B Industry and the customer behavior. How many of the restaurants will eventually survive? Will Unit economics for food aggregators improve? How are the QSRs adapting to this new reality?

**Survival tactics:** Do smaller restaurants really have a chance to survive? What is currently driving Dine-Ins and how are the current occupancy rates?

**Open road for food aggregators and QSR:** What can break the Food Aggregators and QSR narrative? what are the key challenges and is consensus right in estimation of their future?

**Companies in focus:** Jubilant Foodworks Limited; Westlife Development Limited, Yum Brands (Pizza Hut), Info Edge (India) Limited (Zomato), Swiggy

With Bharat Connect, our objective is to bring to our readers on-ground insights based on interactions across key channels located in tier 2 and tier 3 locations which we refer to as "Bharat". We anticipate Bharat to be India's next growth engine and hence, the focus of our checks.

Ranging from a Street food vendor expanding in COVID, to ex-chefs running home kitchens, to large restauranters and bar owners running local chains or representing local associations. For this Bharat Connect, we interact with owners of various sizes, and professionals from the Industry to understand how and what is changing seeking answers some of the key questions with an objective to understand the changing dynamics of this largely fragmented Industry.

Our takeaways are based on interactions with participants based out of Tier 1 and Tier 2 locations consisting of Mumbai, Pune, Bangalore, Hyderabad, Indore, Delhi NCR, Vadodara, Chennai, Dimapur and Guwahati.

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## About Iii

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We at Iii, aim to bring truly independent insights on Indian Equities. Our research process is a combination of a deep dive on accounting and governance, an area typically avoided by traditional sell-side research. We also when required, use on-ground primary research for re-validation of our own hypothesis or growth promises typically made to institutional investors. Independence is the core of our research which often means no management Interaction before or after the publication of the research report.

Month	Company	Product
December 2019	IndiaMART Intermesh Limited	Iii India Independent Insight
February 2020	UPL Limited	Iii India Independent Insight
March 2020	Prataap Snacks Limited	Iii India Independent Insight
June 2020	Motherson Sumi Systems Limited	Iii India Independent Insight
July 2020	Havells India Limited	Iii India Independent Insight
August 2020	Apollo Tyres Limited	Iii India Independent Insight
September 2020	India Autos	Iii Bharat Connect
October 2020	Ashok Leyland Limited	Iii India Independent Insight

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