



COVID-19: Local F&B Businesses Are Badly Hit. This Is What It Feels Like for F&B

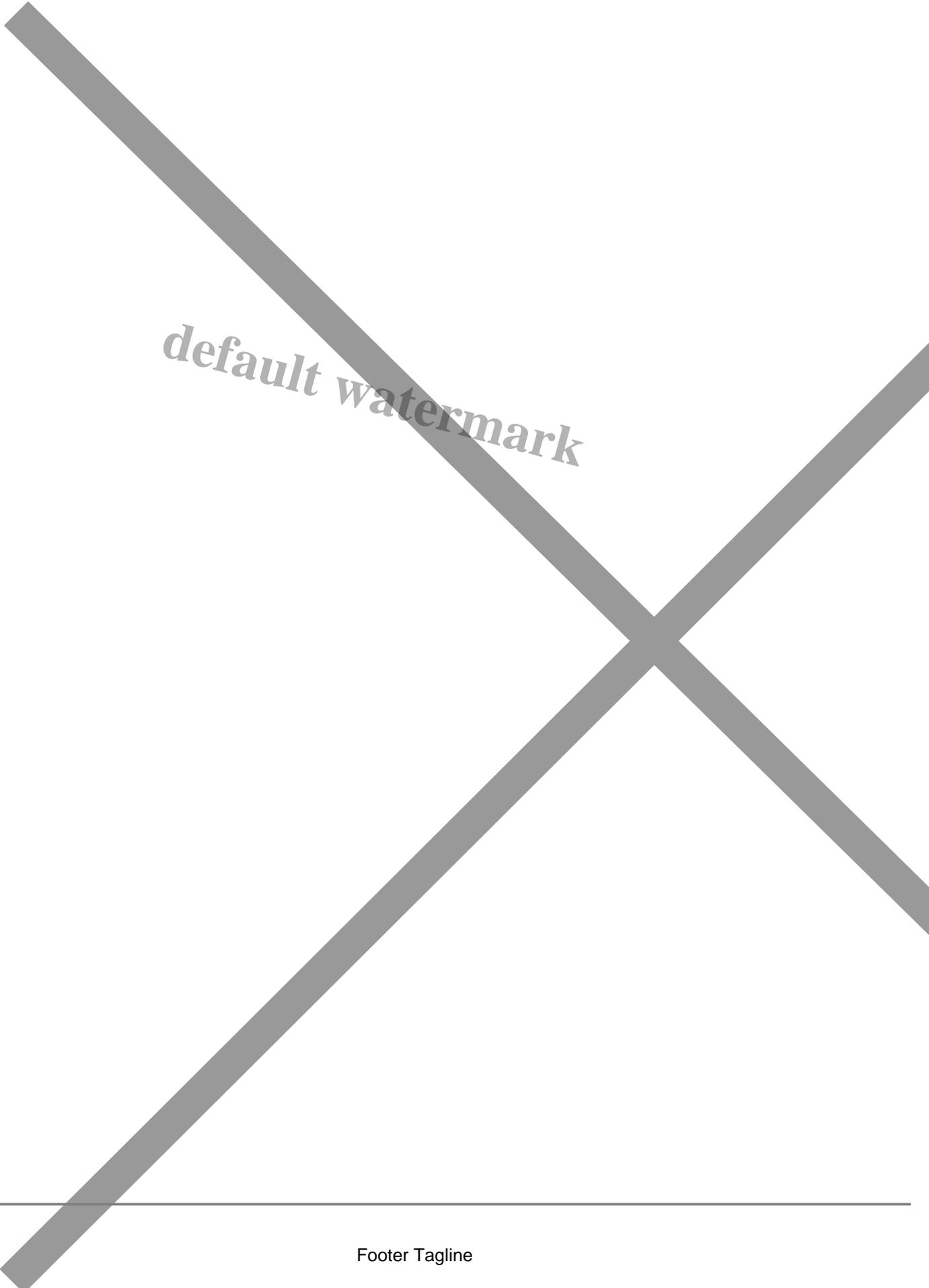
Description

The government lockdowns and work-from-home measures have impacted many small businesses, and weâ??re seeing news stories about businesses struggling to stay alive.

As employees, weâ??re all worried about our jobs right now, and unfortunately, people in their 20s and 30s are being let go due to cost-cutting measures. Two of my colleagues, both in their early 30s, have been retrenched over the last week alone.

While we fret over our jobs and hope our bosses wonâ??t fire the arrow at us next, business owners are also stressing over the many jobs theyâ??re trying to protect among their staff.

I spoke to a F&B owner to understand more about their challenges during this crisis period, and what it will take to make it through.



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Food catering companies have been among the hardest hit since most events and have had to be cancelled due to COVID-19 government measures.

This interview is conducted with the boss behind [Manna Pot Catering](#), a leading and family-owned business that provides halal catering service for celebratory events including weddings, baby showers and corporate functions. You might find their name familiar as we've been using them for years, especially ever since [our budget wedding](#) and [our baby's 100th birthday bash](#).

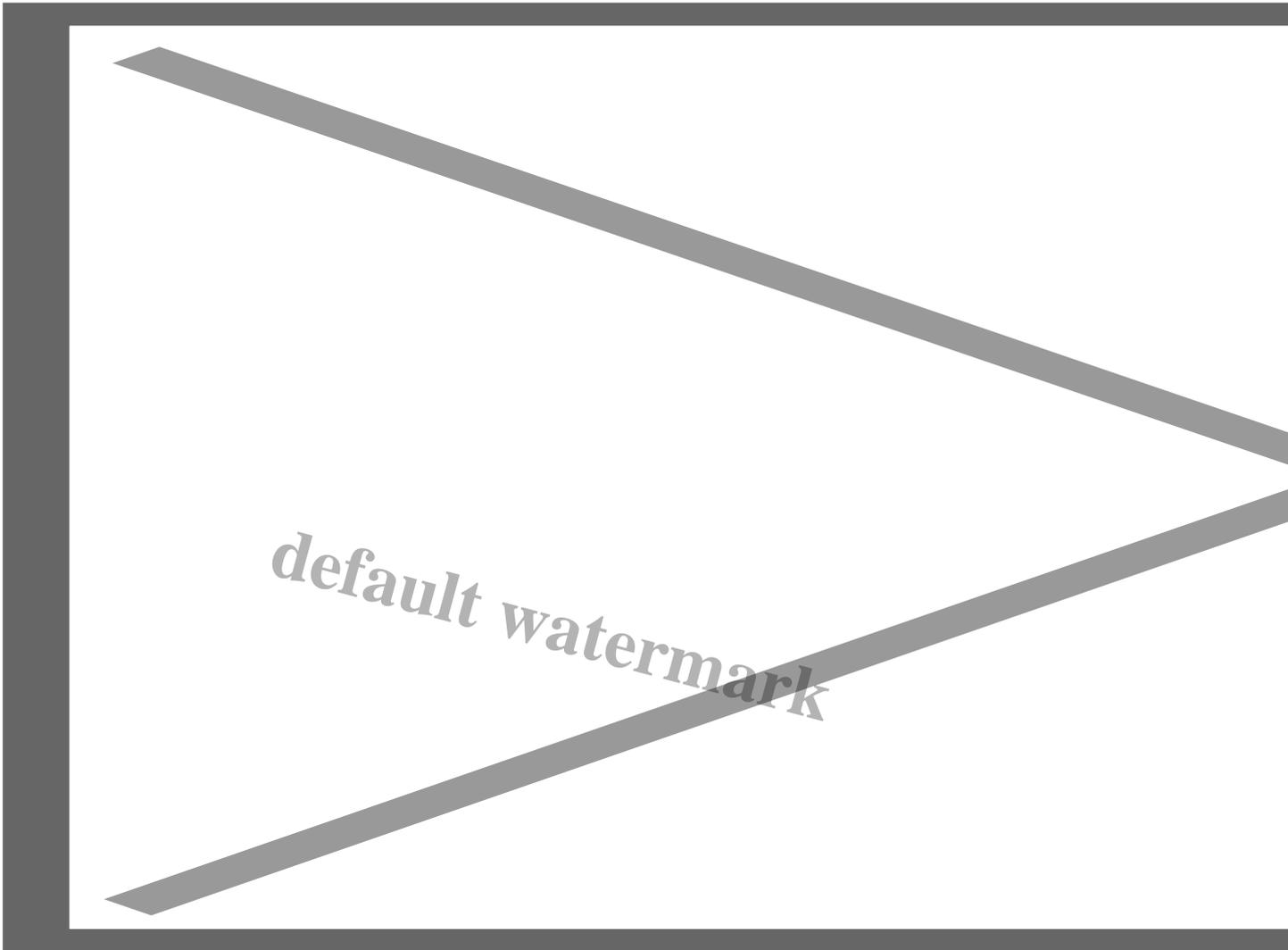
This might just be the worst economic crisis that our business has seen since we started in 2002, and it will be a test to see who will be left standing when all of this blows over.

Q: How has business been like since the COVID-19 outbreak?

COVID-19 has impacted our business greatly. As a lot of our orders come from wedding catering and events, we've been hit by one wave of bad news over and over again. The first came with the government announcing that any event with more than 250 attendees had to be cancelled. That hit the wedding industry really badly, and I feel bad for all the couples who were supposed to hold their wedding banquet during this period.

Then came the social distancing measures, and the limiting of gatherings to just 10 people and below. This was another major blow as it resulted in ALL of our weddings being cancelled or postponed indefinitely. When weddings cannot be held, there are no guests to feed and we cannot fulfil our orders. We are definitely not the only catering company affected by this. Business has already dropped by 90% and this is a very challenging time for us.

The final blow came today, when the government announced that people can no longer dine in at F&B outlets. This will greatly affect our restaurants, where sales have already dropped by more than 50% with more people deciding to stay home.



Cancellation of large-scale events like weddings and corporate

Q: Oh dear, that sounds really bad. What does that mean in terms of your numbers?

Business has dropped by 90% and this is very challenging for us to cope with because our costs are not going away just because of the partial lockdown.

On top of rental for our rental kitchen, warehouse and restaurants, we have about 50 to 60 staff who need to be paid each month. Staff salaries alone already cost us more than \$100,000. Weâ??re currently in the midst of trying to get back our rental rebate for our central kitchen and mall restaurants.

Because so many events had to be cancelled, our catering business has had almost zero revenue for several weeks now. And at the same time, weâ??ve been receiving customer requests to cancel orders from early February, and this only intensified last month after the social distancing measures kicked in.

Weâ??re doing all we can to make ends meet.

Q: Or how about reducing costs?

One of the first things that companies do in economic downturns is to reduce costs. But when we looked at our costs, we were hard-pressed to find something we could cut. Rent, staff salaries and food supplies take up the bulk of our operating costs. As a tenant, we have no bargaining power when it comes to rent, and laying off our staff is going to be the last resort.

Manna Pot has painstakingly built our brand over so many years of hard work and we've come to be known for our quality of food, so switching to lower-cost suppliers is not an option. Once we start to compromise the quality of our food, then it will be even harder to rebuild the reputation.

So there's really very little way out, but we are not giving without a fight. Too many livelihoods rely on us, I have to be accountable and just keep trying.

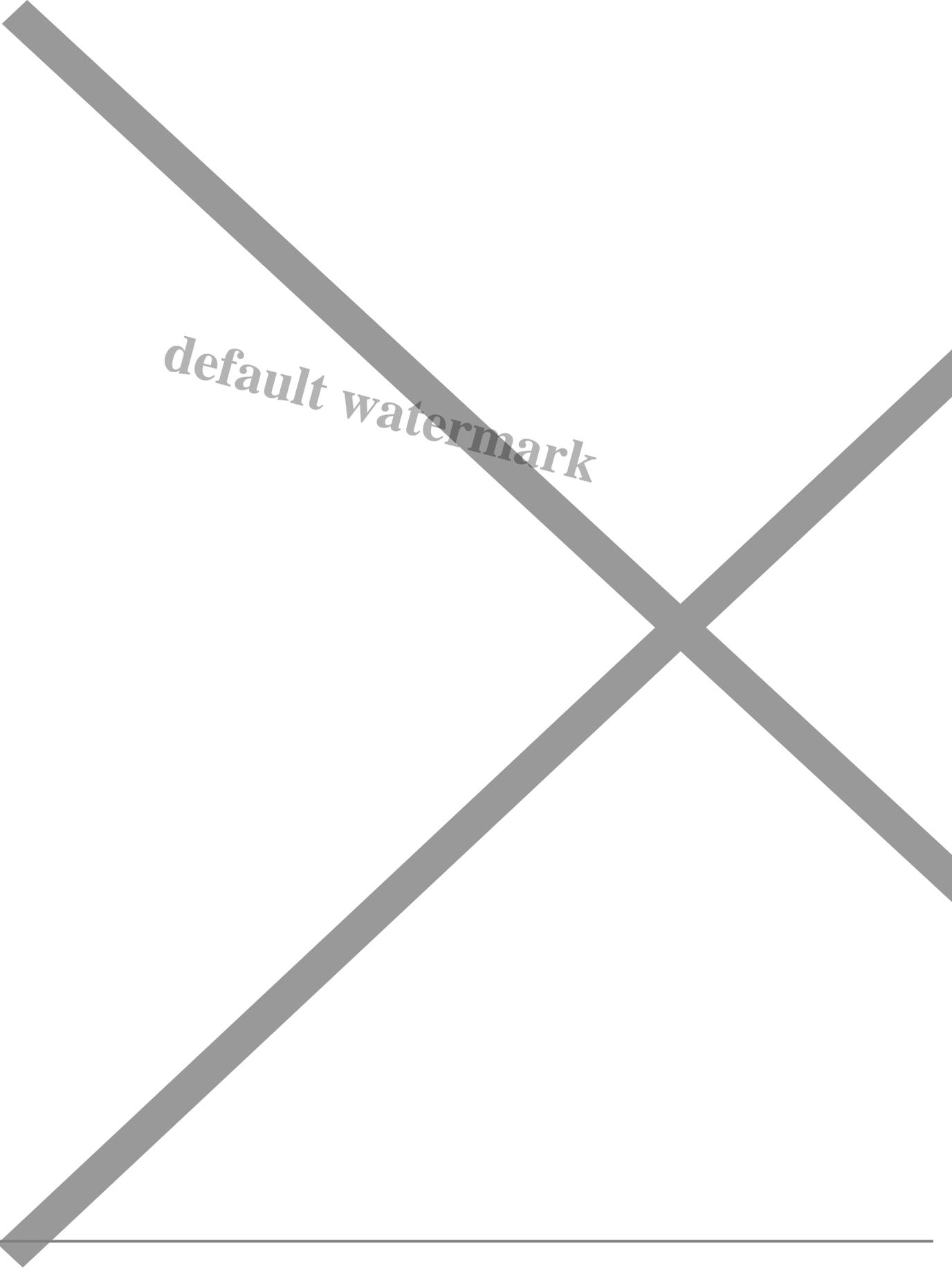
Q: As a small business owner, what are you most worried about in this crisis?

The most worrying thing about this crisis is having to make the difficult decision of whether we need to let any of our people go, especially if the situation gets worse. As a family business, it is very difficult because everyone here is like family to us, and I truly feel for each and every one of our staff who rely on this job to feed their families.

It is the worst and toughest decision to make, but unfortunately if business gets worse with no respite and we are left without a choice, these are the decisions that will have to be made. I really hope it won't come to that.

We're trying our best to save as many jobs as we can by innovating and adapting, because we need revenue to come in or we won't be able to pay our workers, much less our rental. And once that hits, then a shutdown will be inevitable.

Right now, I don't even care about how much I make. All I care is about keeping our business alive, and to earn enough so that we don't have to end up retrenching anyone.



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Crowds at restaurants have fallen drastically and some businesses are at risk of shutting down completely despite the steep drop in sales and revenue.

Q: What are your plans if this continues?

We've since pivoted our business and changed our direction to focus more on food deliveries and smaller-scale family gatherings. It is one of the few things that we can do with our current supplies and resources. Although we've always only done large-scale events, but we need to adapt now, or we may not even survive this crisis.

Many of our friends and the people around us are now working from home. But many of them have children as well, and with the latest announcement that all schools will be closed, many of these people will have to juggle the role of working and parenting at the same time. That isn't going to be easy. Will they even have time to cook?

Which is why we decided to pause our catering business, and reshape the business into bento catering and Stay Home Family Meals for as little as 5 people, which should be enough to feed most households. For those with bigger families or who intend to share an order with their neighbours, we have a 10-person meal pack as well.

The amount for each order translates to only one-tenth of our usual minimum invoice orders per customer, but there's nothing much we can do at this point, and I'll take whatever we can to survive. We will also be launching grain bowls and work-from-home meal subscriptions for those who do not have time (or the know-how) to cook.

Our chefs have worked tirelessly to redesign a new menu and portion sizes so that we can roll this out and save jobs, so I really hope that this will work out.

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It broke my heart hearing their story and while writing this piece. We've been loyal customers of Manna Pot since our wedding in 2017, and I really hope that their business will not become the next victim of the economic fallout from COVID-19.

We ordered their food yesterday, and it was one of the best meals I've had at home for a long time ever since we completely cut out all social gatherings a few weeks ago. The serving portions were also really generous and we had enough leftovers to last for one more day.

Knowing the amount of love, heart and effort that has gone into preparing these meals made me a little teary while eating the food. I cannot imagine not being able to order from Manna Pot Catering at our future family milestones if they fall, so please, show your support for them if you can.

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A happy baby who doesn't understand what's going on, except that he wants

They have several offerings right now:

- **Healthy Grain Bowls**: from \$15.90 with a bottle of Yuzu Honey
- **Stay Home Family Meals**: from \$58+ *before GST* for 5-courses
- Bento Boxes (to be launched): from \$5+ per pax

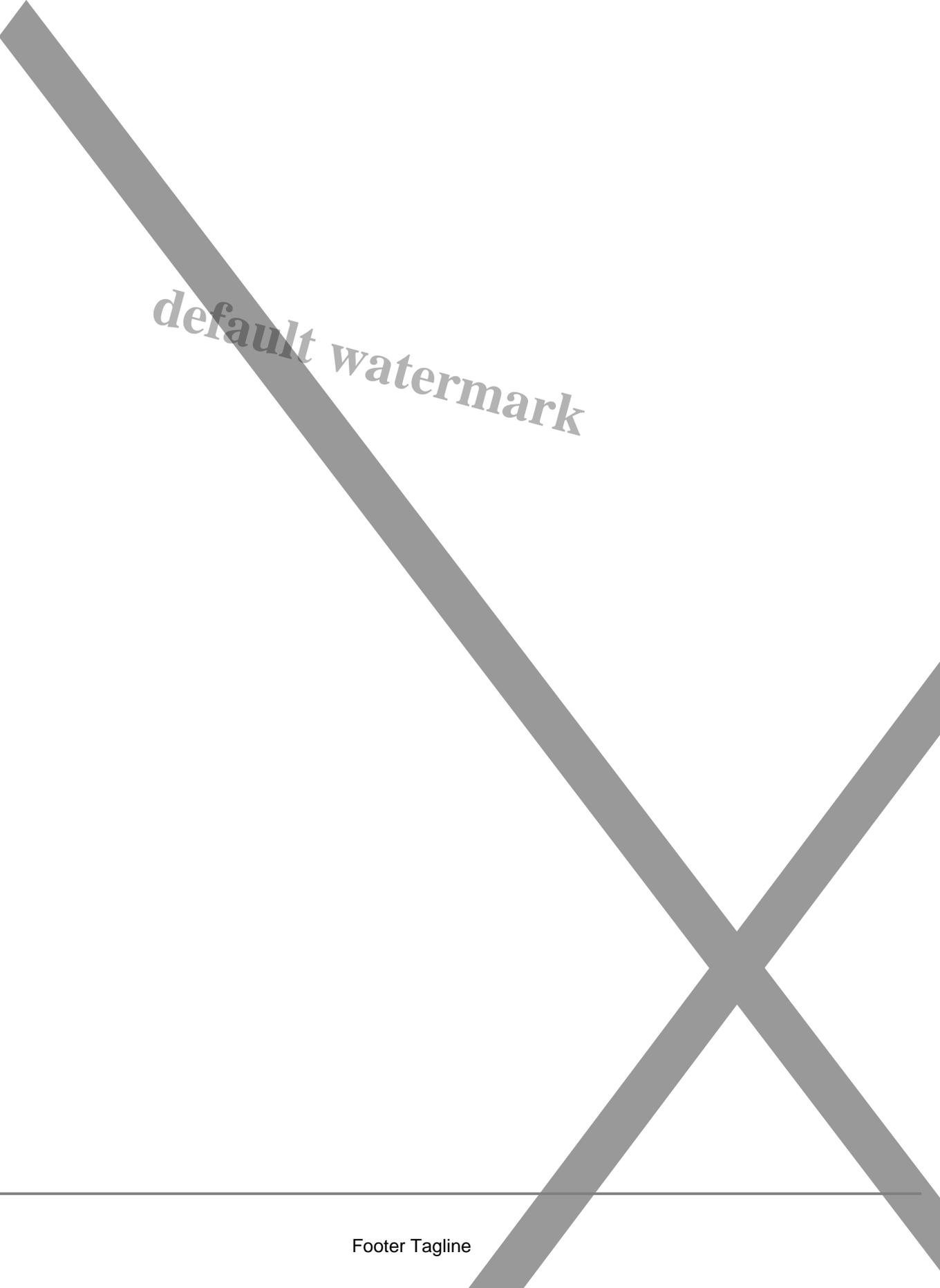
We've tried both the grain bowls and the Stay Home Family Meal, which was only \$58 *before GST* for a 5-course family meal – even cheaper than most tze char meals outside usually cost us. Delivery fees aren't cheap, so I'm really surprised that they're offering **free delivery**;

You can help them achieve greater economies of scale when you share the word with your neighbours and friends so that their drivers can deliver more food to the same area within the same trip!

[You can check out their Stay Home Family Meals here.](#)

[Alternatively, get their Work-From-Home meal subscription here.](#)

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They also have healthy grain bowls, for those who are looking for

Check out [my Instagram review of their food here](#) and get free delivery with your order â?? you can check out more details on their website.

P.S. This is NOT a paid post.

With love,
Budget Babe

Category

1. Family

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