



A Beijing park ahead of Lunar New Year

Economic crisis tames Year of the Ox celebrations in Asia

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SINGAPORE (AFP) — Chinese families across Asia are planning cheaper reunion feasts and gifts to mark the Year of the Ox as the global economic slump forces a toning-down of celebrations.

From China to Singapore, businesses that traditionally see roaring sales ahead of the Chinese New Year are grappling with sharply lower demand from budget-conscious consumers.

Expensive restaurants are reporting a drop in bookings, while eateries that are fully booked say patrons are opting for cheaper meals. Businesses have also slashed prices in order to draw more customers.

"My sales have dropped 20-25 percent.... The economy is bad, people are buying less," said Yip Wai Keong, who owns Guangzhou Waxed Meats in Singapore's Chinatown. Waxed meat is a popular delicacy for families during the New Year.

Shoppers told AFP they planned to spend less on festivities, mirroring the increasing gloom since Singapore became the first Asian economy to slip into recession last year.

Singapore's economy is projected to contract by as much as 2.0 percent this year and there is speculation that job cuts will increase after the Chinese New Year, which falls on January 26.

"This year, our celebrations will definitely be simpler. Economic crisis ma!" said Ah Hua, 62, a dish-collector, using local Chinese slang. "Times are bad so we should put away some money whenever we can."

Larger businesses in Singapore are also affected, with well-known restaurants, gift shops and supermarkets offering lower-priced packages.

Fairprice, a supermarket chain owned by the government-affiliated trade union, said it expects more families to prepare home-cooked food instead of eating in restaurants.

Sebastian Chia, general manager of Tung Lok East Coast restaurant, said reservations for the traditional New Year's eve dinner were robust, but he expects business to dip after the first few days of festivities.

At the Golden China Hotel in Taipei, bookings for their restaurants during the Lunar New Year period have fallen by around 20 percent compared with last year.

"Obviously consumers feel that they have to tighten their belts in the face of the economic uncertainty sparked by the global downturn," a manager of the hotel said.

But the Grand Hyatt Taipei said it has seen little impact on bookings for New Year dinners.

From January 18, the Taiwanese government is issuing shopping vouchers to 23 million people to encourage them to spend.

In Hong Kong, people are cutting budgets on family feasts, new clothes and cash gifts put inside red packets.

The Hong Kong Federation of Restaurants and Related Trades said it would distribute food coupons worth 100 million Hong Kong dollars (12.8 million US) in the first three days of the New Year, the city's media reported.

Superstar Seafood chain, which has 12 branches in the city, told AFP they were almost fully booked for the New Year because they are offering a menu that "is cheaper than homemade dinner."

In China, a survey carried out by restaurant review website dianping.com of 1,800 urbanites aged 22 to 35, the country's most avid spenders, suggested a sober mood.

According to the survey, 69 percent said they would dine at restaurants charging less

than 120 yuan (18 dollars) per person.

Restaurant bookings in Beijing for dinners priced at 400 to 500 yuan per person have dropped 30 percent from a year ago, the China Hotel Association said.

DDMA Market Research and Consulting estimated that Lunar New Year consumption would decline five percent from 2008.

"At this point in time 60 percent of consumers have already (planned) or are planning to reduce their personal spending," said Sam Mulligan, Shanghai-based director of DDMA.

"Branded fashion goods and clothes, digital products and entertainment are among the top categories which they will reduce spending on. These are often the top sales categories at Chinese New Year," he said.

In Malaysia, which has a substantial ethnic Chinese population, Lunar New Year celebrations were muted, with consumers spending less and decorations in the major shopping malls not as elaborate as before, reported the New Straits Times.