



# HOT OUT OF THE OVEN

## The 'live bakery' boom in Dhaka

**The rise of live bakeries isn't just changing how people buy bread - it's also creating new opportunities for entrepreneurs given the relatively low initial investment compared to traditional bakeries.**

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If you stroll toward the Rupnagar residential area intersection from Bangladesh University of Business and Technology, you may be lured by the warm, comforting scent of freshly baked goods wafting from a corner shop.

In fact, if you begin to count the number of shops where baked goods are being prepared on-site, you will get up to at least five within a one-kilometre stretch - each having sprung up in the past year.

But these aren't your typical bakeries. Over the past two years, a new trend has taken the city by storm: live bakeries, where customers can witness bread and snacks being made from scratch right before their eyes.

This immersive experience has turned the simple act of buying bread into a sensory delight, and Dhaka's residents can't seem to get enough of it.

The concept is simple yet revolutionary.

Unlike traditional bakeries, where goods are pre-packaged and brought to stores, live bakeries offer a transparent and interactive experience.

Customers can witness every step of the baking process - from kneading the dough to pulling golden-brown loaves out of the oven. This transparency not only ensures freshness but also turns the simple chore of buying bread into an experience.

"I used to buy pre-packaged bread, but in recent months, I've started getting my bread from live bakeries," said Oliur Rahman, a Rupnagar resident.

"Now I can watch as the dough is kneaded, shaped, and baked in front of



PHOTO: PRABIR DAS



me. It's truly a unique experience."

What sets live bakeries apart isn't just the novelty of watching bakers at work. It's a combination of freshness, variety, and affordability.

From butter buns and Danish pastries to savoury items like chicken rolls and keema parathas, these bakeries offer extensive menus. And with prices starting as low as Tk 20 for a loaf of bread, they've become a go-to for students, office workers, and families alike.

"I used to buy bread from supermarkets, but it never tasted this fresh," Rehnuma Khatun, a customer, remarked.

### A new wave of entrepreneurship

The rise of live bakeries isn't just changing how people buy bread - it's also creating new opportunities for entrepreneurs given the relatively low initial investment compared to traditional bakeries.

The streamlined process, powered by modern ovens and equipment, has made it easier for small-scale entrepreneurs to enter the market with relatively low initial investments.

Omar Faruk Roney, whose family once ran a traditional bakery in Mirpur, saw the business shutter during the Covid-19 pandemic.

But with the live bakery model, he and his friends have opened two successful shops in the same area.

"Now, all I need is an oven, a bread cutter, and a dough mixer," he said.

"At a traditional bakery, at least

10-12 people are required to manage operations. But at a live bakery, each shop requires only five people," Roney explains.

By selling directly to customers instead of relying on middlemen, live bakery owners like Roney can maintain quality control and keep costs lower, making it an attractive business model.

According to Roney, entrepreneurs can begin with a small set-up, and with the increasing affordability and efficiency of modern ovens, even small-scale operators can produce high-quality baked goods.

Although live bakeries may begin as small ventures, many entrepreneurs have scaled their businesses rapidly, thanks to the growing demand for fresh, on-site baked goods.

### Affordability meets variety

Live bakeries also offer entrepreneurs a chance to distinguish themselves in a crowded food market. By allowing customers to watch the baking process in real time, these bakeries attract curious passersby, creating an engaging experience.

This concept offers an innovative twist to traditional bakery models, providing entrepreneurs with a competitive edge.

Another significant edge enjoyed by live bakeries is their ability to offer a diverse selection of baked goods at affordable prices.

Unlike traditional bakeries that focus on a limited range of items, live bakeries also offer expansive menus, including but not limited to cakes, cookies, pastries, pizzas, sandwiches, muffins, plain cakes, various types of pies, chicken rolls, keema parathas, chicken singaras, different kinds of biscuits, and much more.

The beauty of a live bakery lies not only in the variety of its offerings but also in its pricing strategy.

Thanks to modern ovens and efficient production methods, these bakeries can keep costs down while maintaining high quality. A fresh loaf

of bread can cost as little as Tk 20-Tk 30, making it accessible to students, office workers, and families alike.

### A triumph of technology

At the heart of this transformation is technology. Modern electric ovens and equipment have made it possible to produce high-quality baked goods quickly and efficiently.

Pacific Trading House, a leading importer of bakery equipment, has seen a surge in demand for these tools, with ovens ranging from Tk 1 lakh to Tk 5 lakh flying off the shelves.

Alongside ovens, equipment such as bread cutters and dough mixers, crucial



streamlining operations and ensuring uniform results, has also seen a rise in sales.

Bread cutters, priced between Tk 60,000 and Tk 1 lakh, are in high demand as are dough mixers, ranging from Tk 20,000 to Tk 50,000.

However, the recent economic downturn has slowed sales, according to Sheikh Nawazesh Ali Razib, CEO of Pacific Trading House. "Sales have dropped in the past three months due

to the current economic challenges," he says.

### Oversaturation leaves many gasping for air

For Eman Ali, the dream of running a successful live bakery began with hope and ambition.

Just three months ago, he and his partner opened Green Bakery on Green Road, a bustling area in the heart of Dhaka.

At first, the future seemed bright. Customers flocked to the shop, sales climbed steadily and Eman allowed himself to believe that his business would thrive.

But the optimism was short-lived.

Within weeks, three more live bakeries opened within a 500-metre radius, saturating the market and turning his dream into a daily struggle.

"At first, everything was going well. Sales were rising, and we were hopeful," Eman recalls, his voice tinged with frustration. "But now, growth has stagnated. We are struggling to attract customers."

The challenges are relentless. The cost of raw materials has soared, squeezing profit margins. While he has worked hard to maintain the quality of his products, the increasing cost of raw materials and production has made it difficult to keep prices low.

"Customers have so many choices now, and price is the deciding factor for most of them," he says. "We try to maintain high standards, but it's becoming harder to balance quality and affordability."

Eman isn't alone in his struggles. Across Dhaka, small bakery owners are grappling with the same harsh realities. At least five other bakery owners or managers in Dhaka expressed frustration over the sudden surge of competitors.

What began as a promising venture for many has turned into a battle for survival.

"The market has become saturated too quickly," says an employee at a

bakery.

For Eman, the future is uncertain. He's begun to explore alternative options, unsure if he can sustain his business in such a cutthroat environment.

The story of Green Bakery is a microcosm of a larger trend. While the live bakery model has brought innovation and opportunities to Dhaka's food scene, it has also created a fiercely competitive landscape where only the strongest can survive.

For every success story, there are countless tales of businesses teetering on the edge, dreams of growth overshadowed by the harsh realities of an overcrowded market.

The rise of live bakeries reflects a larger cultural shift in Dhaka's food scene. Consumers are increasingly prioritising freshness, transparency, and quality over convenience.

This trend mirrors a global movement toward boutique bakeries, which have long been popular in Europe, as opposed to the mass-produced model favoured in the US.

However, Towfiqul Islam Khan, senior research fellow at the Centre for Policy Dialogue, highlighted that the issue extends beyond just consumer preference.

It is primarily about food safety concerns and assurances.

"There is a broader concern that we lack trust in the BSTI seal," he said, referring to the Bangladesh Standards and Testing Institution.

He also touched upon the cultural shift in consumer behaviour.

"As people's purchasing power grows, their tastes are evolving. Consumers are becoming more cautious and selective about their choices."

This shift reflects a rising demand for quality and authenticity, with buyers seeking greater transparency in food safety and production standards, he added.

For many, live bakeries offer more than just fresh bread - they provide a connection to the food they eat and the people who make it.

As the city continues to evolve, these bakeries are carving out a niche that combines tradition with innovation, proving that sometimes, the simplest ideas can have the most profound impact.