

# PMCONNECT

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## INTELLECTUAL PROPERTY



**EMPLOYEE  
ENGAGEMENT -**  
A Key Success  
Factor for SMEs

**BUILDING  
A COMPETITIVE  
EDGE THROUGH  
INTELLECTUAL  
PROPERTY**

## KEYS TO OVERSEAS GROWTH – HAVING THE RIGHT ADVISORS

**H**ock Lian Huat Foodstuff Industry Pte Ltd (HLH) is an 88 year-old food manufacturing business founded by Mr William Tan's grandfather, Mr Tan Gim Teh. HLH has experienced huge transformation through industrialisation and innovation. When Mr William Tan took over the management of the business in 1995, he was aware that he was not just taking on the responsibility of running his family's business, but also the responsibility for carrying a culinary heritage going back more than eight decades and three generations.

In its current premises at Gourmet East Kitchen, there is a diverse and committed team that uses a combination of high technology and traditional techniques to produce their famous Ngoh Hiang. The company was able to simplify its existing processes while maintaining a high standard of quality and hygiene in its food production. To date, HLH still hand-rolls their famous Ngoh Hiang, to preserve its authentic taste and texture, and proudly supplies to 80% of the vendors in food courts and hawker centres in Singapore.

Although HLH has been successful manufacturing and wholesaling island-wide, Mr Tan wanted to extend its strong and long-standing reputation beyond Singapore. He felt that it was time to explore new markets and spread this local traditional food across the world. To elevate the firm to the next level, Mr Tan engaged Senior Practising Management Consultant (SPMC), Dr Sandy Chong of Verity Consulting Pte Ltd, whom he met at IE Singapore's Export Development Programme.

During the course of training, Dr Chong effectively imparted fundamental and differentiating export strategies to Mr Tan and fellow attendees. Apart from acquiring strategic insights of overseas ventures, Mr Tan learned to develop an export plan that satisfied HLH's demand for both internal and external growth, met the needs of their changing business, and averted costly mistakes, probably one of the most crucial



learnings gained.

The training consisted of steps in preparing for market and channel selection, entry strategy and branding. Mr Tan also learned that identifying one's passions and talents would create the driving force that would help him to sustain the business when facing challenges overseas.

After the training, Mr Tan decided to explore the potential of exporting to the Chinese market. The experience was wrought with challenges for a small firm like HLH. The Chinese market is very particular in its tastes and preferences. Being unfamiliar with the new market and facing difficulty in qualifying the right distributor to work with, along with the restrictions on meat imports, Mr Tan learned that entering such a market can be fatal if going

**ABOVE**  
William Tan showcasing his company's products.

**BOTTOM**  
Dr Sandy Chong (left) and William Tan (right) at Singapore Management Consulting Awards' Gala Dinner, 28 Oct 2015.



in unprepared. In addition, the high pricing of imported Singaporean goods for which HLH is so successfully known in Singapore when compared to local produce makes it hard to compete in the same market.

After countless trips to and discussions in China, it was the advice of Dr Chong that helped him to avoid major business risks. She had earlier shared with him some of the best practices in international strategy are to strengthen the confidence of their customers and capitalise on their reputation in a positive manner. She also stressed the importance of identifying one's niche and matching it with the right market before going into negotiation and making huge financial investments.

Guided by Dr Chong, Mr Tan took a step back and held off rushing into China. He started to refocus on regional markets that are more familiar with his products. Mr Tan felt that this was a prudent decision, as he no longer had to choose between compromising HLH's product quality or having the margins undermined. "Due to her timely advice and

insights of the Chinese market, we saved ourselves hundreds of thousand dollars pursuing a futile path that could have damaged our already delicate bottom-line".

Dr Chong also advised Mr Tan and his associate, Ms Jasmine Keh about scoping a brand rejuvenation project to get results that would enhance HLH's image in the long run, and provided directions to implement the brand strategies long after the project ended. Attending Dr Chong's advanced programme on international branding and tradeshow success were also highly educational for Mr Tan and his team. They were so impressed by the highly interactive and engaging sessions that Mr Tan believes that when it comes to strengthening its export business and branding across borders, Dr Chong is the expert. "She opened our eyes to an array of opportunities to capitalise and boost our existing image to the wider audience, helping us to create meaningful brand relationships with our clients."

With Dr Chong's support, Mr Tan began reappraising themselves, reconnecting with the company's core competency and repositioning their brand. HLH spent the next 2.5 years building best practices in export development, conducting due diligence with partner selection, and choosing the right strategy when dealing with foreign counterparts. Through extensive research into the overseas market, HLH was able to refocus themselves to grow, to learn from their experience and better position themselves for the future.

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**ABOVE**  
 Using high technology to produce their famous Ngoh Hiang's mixture.

**BOTTOM**  
 HLH still hand-roll their famous Ngoh Hiang to preserve its authentic taste and texture.

"We are now a lot more aware of what entry strategy to use, negotiation skills to have, the right cost projections and the clever use of media, including social media to promote our products" says Mr Tan.

Another aspect of the company which has changed since engaging Dr Chong is the awareness and growing emphasis on sustainability and responsibility towards the wider community. At the forefront of recognising good corporate citizenship in international expansion, HLH became the winner of the Asia Pacific Brand Award and the Singapore Brand Award in 2012. Both Awards recognised the strength of the brand and its commitment to corporate social responsibility, particularly in the case of reducing packaging waste. Also, the SME1 Prominent Award recognized their efforts in building a sustainable business and being a responsible employer.

For over 7 years, Dr Chong constantly gives Mr Tan tools and techniques to develop concrete and practical strategy that would help HLH in promoting their offering and pitching itself effectively beyond borders. Even after the completion of their export building exercise, she remained committed to the company and was willing to provide time and expertise to give them an edge at local and international tradeshows.

Mr Tan said "Dr Chong's integrity, profound respect for her mentor and passing the knowledge to others made me realise that other than making money in business, there is a higher calling for one to pursue one's dreams and missions. She has further affirmed my belief that there is immense power in being a good enterprise if one possesses strong determination and good faith."

HLH Ngoh Hiang still brings to mind the great nostalgic taste of Mr Tan's mother's cooking. His dream is to have everyone enjoying HLH's Ngoh Hiang at parties and gatherings or as gifts. Mr Tan is now much more confident that they are well-positioned to make their mark and further spread Singaporean culture and food worldwide.

## KEY STEPS TO PREPARING FOR EXPORT:

### 1. ASSESS YOUR EXPORT READINESS

Align internal readiness with external opportunities, choose the right market, learn how to utilise resource and production capacity, make the right export decision.

### 2. FIND YOUR TARGET MARKET

Find out who and where they are and provide a valuable proposition. Understanding global consumer behaviour takes more than reviewing a country's GDP and economic indicator. Validate the market size and needs before entering.

### 3. ARTICULATE YOUR GLOBAL APPEAL & MAKE AN IMPRESSION

Branding is more than a fancy logo and design. Making an impression is just a start. Cultivating brand relationship is the key that lasts.

### 4. FIND THE RIGHT MODE OF ENTRY

Timing, choice of entry strategies and anticipating constraints are all critical decisions that would differentiate a successful entry from a failed one.

### 5. ENGAGE THE RIGHT PARTNER

Having the right partner definitely allows one to take more risks. Identifying the criteria of a suitable partner is as important as finding them.

### 6. NEGOTIATE ACROSS CULTURES

Navigating through market exclusivity, performance requirement, payment terms and exit clauses are key terms to minimise risks. Cultural acumen and sensitivity are key enablers to closing deals.

### 7. PRESENTING WITH IMPACT

Your international audience has shorter attention span than your local ones. Pick a focus and grab the audience.

### 8. GLOBAL OUTREACH VIA DIGITAL STRATEGY

Communication is at the heart of e-commerce and community. Leverage the global playing field by tapping into online communities. Hard-selling doesn't work, viral and social marketing does. ■