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A Fine Taste of Peranakan Cuisine: Dulukala Restaurants Pte Ltd

With recipes passed down the generations, Dulukala Restaurants is a family-run restaurant chain that serves up authentic, home-cooked Peranakan cuisine. Every dish is reminiscent of the past, when meal times were a lively affair with family members and good friends

crowded around a table crammed with mouth-watering selections.

Replicating the much-loved ambience and recipes for diners, Dulukala Restaurants tantalises a new generation of foodies with its time-tested culinary treats. Using only the freshest ingredients, each order is lovingly prepared and cooked to perfection. The exquisite combination of colour, aroma and taste pays tribute to a lasting Peranakan heritage.

Project 1

A convenient, cosy hang-out

“Let’s meet at Nya Nya. It’s convenient and I love the snacks; I can also use my kopi card.” This is the desired outcome of this project as the client wants a product concept which cultivates a customer base that considers Nya Nya the café of choice, returns frequently with friends and family (potentially new customers), and responds positively to its marketing efforts.

Given its ideal location near an MRT interchange station and proximity to a cluster of high-rise offices and residences, the café has the potential to benefit from the high human traffic – except that it has not been able to convert more passers-by to customers.

Using a survey to ascertain customers’ purchasing behaviour, perceptions and preferences regarding café-going, the project team obtained valuable feedback such as what customers look for in a café, what would entice them to return, and their views about Peranakan cuisine. An analysis of these customer insights and the café’s current attributes revealed several critical gaps. Leveraging their textbook knowledge of scientific theories and proven methodologies, branding and marketing, the team crafted a new brand concept for Nya Nya based on five identified areas – brand awareness, café visibility, product offering, education and retention.

See you soon!

To distinguish Nya Nya from its more well-known café competitors, the team devised a comprehensive brand strategy aimed at attracting new and existing customers, as well as boost brand visibility.

The implementation plans for the five areas are comprehensively presented, with the clear rationales, objectives, action plans, supporting data and financial implications. Where feasible, alternative action plans are offered. The concept strategy is sufficiently detailed that it can be executed without additional, extensive input. For example, to raise visibility of the brand, the students proposed a combination of bulkhead advertising, a stored-value card for beverages and a drink cup holder. They also highlighted the importance of an attractive storefront to capture the customers’ attention. Going beyond mere suggestion, they designed the visuals and key messages – such as what the advertisement, stored-value card and drink cup holder should look like, a sample poster as well as mock-up of an elegant display of Peranakan snacks – and outlined the mechanics of each activity. The ideas have been tested on a sample group for

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efficacy, and refined before being included in the final report. The budget for each activity is also provided.

Project 2

It's been tried and tested

One way companies can grow their business is through franchise, and Nya Nya Café is exploring such a feasibility. A franchise is less daunting than a totally new business as there is an existing framework, the franchisee gets to use the brand name and Standard Operating Procedures, and receives support from the franchiser and other franchisees, and lower operating costs due to economies of scale. The financial commitment and overall risk to the franchisee are thus lower.

According to the project team's research, a Nya Nya Café franchise would appeal to two groups of people – the Money Rich: investors who are willing to invest money, and who may or may not be interested in the day-to-day operations, and the Time Rich: usually fresh graduates or young people who are keen to strike out on their own but lack the finances and know-how. As the Money Rich would likely invest in established brand names through a traditional franchise model, the project team developed an innovative franchise model that would appeal to the untapped Time Rich group.

From research reports, the team discovered that even though a franchise is an attractive business proposition where the majority (90 per cent) achieved success, it was not without its risks. About 20 per cent of franchisees could not secure a bank loan to kick-start the business, or the terms and conditions of the loan or franchise were so onerous that they failed.

The team resolved these issues with an innovative business model called "Frens" (franchisee, recruitment, employment, negotiation, system). That it sounds like "friends" is intentional – to reflect the cordial relations between the franchiser and franchisee.

Let's be "frens"

"Frens" is a creative business model that trains and then assesses the suitability of aspiring individuals for a Nya Nya Café franchise. It is a three-stage process comprising a training period, collaboration, and finally, the full-fledged franchise arrangement. "Frens" may require more resources than a traditional franchise agreement as the franchiser has to invest ample resources, such as human resources and expertise, etc, to execute the "frens" model.

To manage the attendant risks to the franchiser, such as the changing costs of labour, raw materials and unpredictable returns from the franchised cafes, the team developed mechanisms that could quickly adapt the business model to market feedback. Included in the final report is a financial viability prototype which shows various scenarios and their financial implications to the bottom line. Also in the report is an ideal feasibility prototype, which has its basis in interviews and feedback. To get the buy-in from Nya Nya's stakeholders during the implementation process, the team provided a change management proposal. A business model canvas consisting of the new ideas encapsulates their proposal.

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Project 3

Crossing borders

Given Singapore's limited market size, Dulukala Restaurants is keen to export its home-made sauces to overseas markets, beginning with China. To gain a better understanding of the customer profile and preferences, the project team conducted an online survey to reach out to a sample group in China, before crafting the value proposition.

From the survey feedback, China's burgeoning middle class is adept at online shopping, and has the financial means to spend on products that they perceive to deliver higher food safety and reliability. Using the SWOT (strength, weaknesses, opportunities, threats) and PEST (political, economic, social, technological) analyses, the team set out to determine the client's competitive edge vis-à-vis the existing players in the market.

Only a click away

Feedback from the China market showed that premium, foreign sauces would appeal most to middle-class customers via the online channel. The team followed up with a two-phase business plan. In phase 1, to enter the China market, the client could ride on the Yiwu Singapore Food Product Centre, which is supported by IE Singapore. With the Singapore brand name, there is the assurance of quality and credibility – both of which are important attributes when it comes to food, according to the survey respondents.

The team proposed a two-pronged marketing plan – B2C and B2B – along with an analysis of potential collaborators, and their strengths and weaknesses. Marketing would be done largely through a market-leading local (China) app to connect with the target customers. To advance the client's product visibility in the online sphere, the students recommended the use of a QR code, which should also be printed on the product packaging. Phase 2 looks at further expansion, and would be activated when the business is on track for growth in the China market. Each recommendation comes with a break-even analysis and step-by-step guides on implementation.

Dulukala says...

"The different teams came up with many great ideas. We have yet to implement any of them due to the time line, but some will definitely be implemented once the opportunity arises," said Zan Ho, Director, Dulukala Restaurants. As for which project would make the transformation journey from classroom to real life, "Nya Nya's packaging on the take-away containers will be implemented first," he shared. "The rest will follow as and when possible."