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Eat And Be Merry: Lim Kee Food Manufacturing Pte Ltd

Founded in the 1980s, Lim Kee started off as a small *dim sum* (oriental snack) manufacturer, serving the needs of workers in the industrial estates across Singapore. At that time, the business had a retail arm – a small shop-front in Ang Mo Kio catering to the neighborhood.

Over the years, the company has expanded both consistently and organically. Today, after more than 20 years of perseverance and experience, Lim Kee has established a relatively strong

foothold in the local *dim sum* industry.

Based on its “fresh and quality” production philosophy, the food items are produced every day on a just-in-time basis. Its *dim sum* products are made available to consumers through numerous domestic distribution and sales channels including industrial estates, coffee shops, schools, food courts and supermarkets. Recently, the company added rice products and *siew mai* at the supermarkets so that consumers can enjoy Lim Kee’s food products when they are at home.

To grow its market share, the company has plans to introduce other products to the local supermarkets, and establish a retail store in Singapore. It is also looking to extend its footprint by exporting its *dim sum* products to other regions.

Live to eat, eat to live?

Singaporeans are known for their love of food and it is no surprise that the country markets itself as a food paradise. Its standing as a global hub and its cosmopolitan makeup are conducive to the widest spread of culinary delights.

The love affair with food is so deep-seated among some foodies that if they hear about good food at a restaurant or retail store, they have no qualms travelling long distances or standing in line for hours just to satisfy their palate. Recently, when US doughnut brand Krispy Kreme opened its first store in Singapore in October 2013, its supporters queued overnight so that they are among the first to get their hands on what they call the “best doughnuts”¹. Perhaps the novelty of the “prize” – the company had announced that the first three customers would receive free doughnuts every week for a certain period of time – had something to do with it, but for the over-200 people who were behind the forerunners, the motivation was a desire for great taste and quality, with a sprinkling of curiosity.

A sustained love affair can be illustrated with Hong Kong *dim sum* restaurant Tim Ho Wan. Since it opened its first outlet in Singapore in April 2013, this city outlet is hardly ever without a queue. Said to offer the “world’s cheapest Michelin-starred meal”² anywhere in the world, food lovers appear to think nothing of standing in line for one to two hours to imbibe its “four heavenly kings” signature and other *dim sum* dishes.

Food lovers appear to be discerning only of their food, but not as much of the location, setting or service. A “good” durian stall is likely to be packed, even if the choice of seats were limited to rickety chairs right beside a busy road – complete with the belching exhaust fumes from passing vehicles. An “authentic”

¹ <http://sg.news.yahoo.com/krispy-kreme-fans-queuing-a-day-ahead-of-store-opening-123551423.html>

² www.smh.com.au/travel/activity/food-and-wine/perfection-the-worlds-cheapest-michelin-star-restaurant-20131009-2v8cf.html

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Penang *char kway tiao* stall in an out-of-the-way eatery operating only on weekdays from noon to 3pm will see queues forming from 11am – even if the stall posts a “C” grade from the National Environment Agency (NEA), and the hawkers were a surly lot. (The NEA grade is given to food establishments based on their overall hygiene, cleanliness and housekeeping standards of the premises.)

When describing the food scene in Singapore, a food consultancy describes it as more than a social activity – it is an integral part of the national identity. Eating is often described as a national pastime and food, a national obsession³. Is it any wonder that the Singapore Tourism Board promotes the local dining culture as a tourist attraction?

You are what you eat

Never mind that the Health Promotion Board (HPB) has been pushing the healthier eating agenda since 1992, when then-Prime Minister Goh Chok Tong launched the National Healthy Lifestyle Campaign. To the vast majority of the people here, it also seems to matter little that obesity and chronic diseases are on the rise – the result of unhealthy eating habits and an inactive, sedentary lifestyle. Taste *is* the acid test when it comes to food, not how beneficial it is to one’s health!

But there are encouraging signs that more people are selecting healthier food choices, according to HPB’s recent surveys. The agency has also been rolling out programmes to make it easy for people to eat better. There is the Healthier Food Programme since April 2011, where the ubiquitous hawkers’ centres, coffee shops and other participating food places offer healthier food items such as wholegrain noodles, brown rice, healthier oil, healthier salt and lower-sugar drinks. Decals proclaim the healthier ingredients used, while posters illustrate the calorie values of the dishes served.

Supermarkets, too, are doing their part to push the national health agenda, with HPB’s “Healthier Choice” labels printed on items that are considered healthier, such as those with lower total fat (saturated fat, trans fat), salt and sugar, and higher in fibre and nutrients. But the availability of healthier choices does not automatically translate into more sales. A recent UOB-SMU Asian Enterprise Institute (AEI) survey reveals that a complex web of factors underlies which food items people ultimately buy when they visit a supermarket, and this ranges from brand knowledge and familiarity to brand perception, recommendation from trusted others, packaging, price, accessibility – where and how the products are displayed – and even the state of mind (mood) at that time! As the purchase behaviour seems almost indefinable, it looks like food manufacturers need to work harder and more creatively to attract and retain a loyal consumer base.

Eat what you like...

Mark Twain is often quoted as saying that “part of the secret of success in life is to eat what you like and let the food fight it out inside”. Although the comment seems to suggest a thumbing-of-the-nose at the need to eat healthy, foodies would give him the thumbs up for his “eat what you like” comment, while food manufacturers would applaud him – and then puzzle over how to keep people coming back for more of their food. As a food manufacturer, Lim Kee falls within the last group.

The company was “eager and excited” to participate in AEI’s Consulting Programme as it wanted to determine its industry standing with a view to enhancing it, and it was also seeking feedback on its plans to launch a flagship retail store. “The whole brand audit journey was a great learning experience for us... and we have to acknowledge the fact that these student-consultants were true professionals,” said Ms Mandy Ang, Business Development Executive, Lim Kee. “The results were beyond our expectations.”

³www.unileverfoodsolutions.com.sg/our-services/your-guests/dining-in-sg

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In particular, Ms Ang highlighted the “realistic recommendations” and “sense of responsibility” displayed by the team throughout the project duration. “They provided constant updates on the brand audit project and never lost sight of the client. We are satisfied with both the capability and credibility of the project content and student team.”

As an SME, Lim Kee faces the usual challenges common to smaller companies with limited resources. Although the Internet has enabled it to connect with a wider consumer base (the company is active on Facebook and has a business website), it requires a leg-up in several other areas such as branding. Thus, AEI’s online marketing toolkit (<http://usaei.smu.edu.sg/sme/toolkits/marketing>), which was launched in collaboration with SPRING Singapore and Ogilvy Singapore, is a welcome resource. The company is already tapping on the marketing framework template and using the step-by-step guide to create its brand manual. “With such help, Lim Kee has, at least, a better head start in moving forward,” she said.

On their part, the student-consultants who had signed up for the Consulting Programme “to gain experience and exposure in consulting, and to widen our business knowledge” said that their objectives were more than fulfilled. They had the opportunity to translate what they learnt in the classroom to real-world application, and also “learnt many new things that could not have been taught by textbooks and lecture notes... people skills being one of them”. Effective communications with the relevant parties, and keeping a close eye on the need to provide practical recommendations which align with the client’s goals and expectations were also essential lessons learnt.

Project Advisor Ms Regina Chow was pleased with her team, calling them “pro-active, resourceful and hardworking”. She also commended them on showing “initiative to problem-solve... work independently and yet contribute effectively as a team”.

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Student Consultants:	CHUA Zihao Bachelor of Science (Economics)
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