

TAKE IT AWAY

Two Japan-inspired food and beverage family businesses have launched kiosks as part of their expansion plans. Sashimi bowl specialist Katto and confectionery shop Kele constantly evolve and improve themselves to remain relevant in the market.



ON A ROLL

IN accordance with its name, which originates from the Chinese words “*kekou*” which means “tasty” and “*kuai*” which means “happy”, Kele hopes to bring joy to consumers through its tasty confectionery.

It started off in 1983 as Kele Confectionery, a family bakery in Jurong founded by Adrian Ang's parents. Mr Ang took over from them in 2012. “My parents were old, they wanted to retire,” he says. Dissatisfied with his real estate job then, he saw the opportunity to grow the family business and decided to jump ship. He was later joined by his younger brother, Gordon Ang, in 2015.

Mr Adrian Ang's first strategy was to rebrand the company. He

changed its name to Kele and narrowed its product line.

After winning Jurong Point Shopping Centre's best pineapple tart competition, Mr Ang made the pastry Kele's core product.

“From there, we started investing in the branding, the packaging. We started off with the very normal plastic containers with the red cap. We now have a bright yellow concept. Our products are nice, but it needs to have nice packaging in order to attract the younger crowd as well.”

Introducing the product to a market beyond the Jurong neighbourhood proved to be rather challenging. “It took us some time to convince our new customers. And how do we go about convincing them? We let them try. Just samples alone, we probably ran into a few thousand bottles of pineapple tarts.”

The team's hard work paid off during the Chinese New Year period,

when demand for the traditional delicacies shot up by 20 to 25-fold. During off-peak season, Kele focuses on tourism retail.

“There was a distinct lack of local pastries that represents our culture,” Mr Ang observes. Kele's first shop in Chinatown caters to this need by selling pineapple tarts as a Singapore pastry souvenir for tourists to take home, and for locals to give to overseas friends.

To increase efficiency, and in response to the government's call to technological adoption, Mr Ang also purchased new equipment to make Kele's manufacturing semi automatic.

As part of Kele's efforts to move away from its traditional image, it also introduced a new product last year: Swiss rolls.

The idea came about during a family trip to Hokkaido, Japan, where they sampled a variety of local pastries. “After learning about these products in Japan, we brought them back, and we started spending more time and focus on developing these roll cakes,” recalls Mr Ang. “We thought it might be a good avenue for us to explore.”

The cakes were first launched at mall roadshows and food festivals, where they received positive feedback. This prompted him open a dedicated permanent shop for the rolls.

In July this year, Kele launched its first Swiss roll kiosk located at Mapletree's VivoCity. Unlike the pineapple-themed shop at Chinatown, the kiosk at VivoCity has a pink theme and is painted with cherry blossoms to symbolise the place which inspired the products.

The new concept is aimed to help Kele stand out and appeal to the younger crowd. “It's like moving along with the times. A brand has to constantly evolve to keep up,” says Mr Ang.

The cakes also come in boxes with three colours for customers choose from: blue, which represents the sky; pink, which represents flowers; and grey, which represents earth. Together, they are meant to symbolise spring.

“This is the message that we want to put across. Because usually in spring, people are happy – the weather is nice, the birds the flowers are out. So with this concept, we are trying to push across that this (the Swiss roll) is something enjoyable,” explains Mr Ang.

To ensure that the cakes are light and moist, Kele imports its wheat flour from Japan. “What we learnt from the Japanese was that they were particular about the taste and presentation of the cakes,” says Mr Ang. “So our roll cakes now are inspired by the Japanese in the sense that we use quality ingredients in our food.”

But the product is not an exact replica of the Japanese dessert. Kele puts a Singaporean twist to the rolls to differentiate them from others in the market. Most of Kele's roll cakes have local or tropical fruit flavours, such as avocado gula melaka, pandan, mango and durian. The launch of the shop at VivoCity was also accompanied by the introduction of three new flavours: pina colada, rose cheese and avocado macadamia.

To keep customers interested, Kele intends to introduce a new flavour quarterly, in addition to its 12 current flavours. “It is not difficult to come up with new flavours,” says Mr Ang, “but it is difficult to come up with one that is well received by many.”

Popular flavours are translated to Kele's mooncakes, which are also sold in the VivoCity shop during the mid-autumn festival period.

Kele is also looking to sell other forms of pastries to offer more variety for its customers. Its expansion plans also include opening more Swiss roll shops in Singapore and franchising or establishing a joint venture overseas.

“We can't just be a big fish in a small pond,” says Mr Ang. “So we definitely have to look overseas. For a start, we are looking more at the Asian region, in places like Jakarta, Bangkok, Hong Kong, Shanghai.” ■



ROLL WITH THE PUNCHES

Mr Ang says that Kele intends to introduce a new roll flavour every quarter.

PHOTO: YEN MENG JIN



FRESH NEW FLAVOURS

FOR brothers Mathieu and Gabriel Liong, business is indeed in the blood. The founders of Katto, a sashimi bowl restaurant, had always been inspired by their entrepreneur father to create their own companies.

Mr Mathieu Liong was looking for employment a year after graduating from the National University of Singapore (NUS) with a degree in civil engineering when his friend told him about a *poke* bowl shop that he saw on a trip to Hong Kong.

Fascinated by the concept, he proposed the idea of opening such a shop in Singapore to a number of his father's business partners who worked in the seafood industry. After the partners expressed their interest, the family took a trip to Tokyo for a holiday and to meet with some suppliers.

At the time, Mr Gabriel Liong, who had just graduated from NUS Business School, had received several job offers from other corporations, and was unsure about joining the *poke* business. But after the people whom they met in Tokyo agreed to be silent investors, he decided to join his brother in the business.

“Before we knew it, we got some funding, our family and us also put in some money, and we registered the company. And then there was no looking back already, we had to get it up,” says Mr Mathieu Liong. The brothers incorporated Katto in November 2015, and officially opened their first shop at Fusionopolis, One North, in August 2016.

As they were industry rookies, setting up a business was a real challenge. They had no experience in hiring, design, construction, and many of the other processes. Being ambitious, they even tried to import their own tuna and salmon from Vietnam, which resulted in tons of extra fish sitting in a cold storeroom. “We underestimated the startup cost of the first shop. So now that we're a bit experienced, we are a lot more careful,” explains Mr Mathieu Liong.

The brothers were also newcomers in the food industry. However, they chose to take this as an opportunity to simplify their processes instead, so that their workers also do not have to be culinary trained.

Katto's fish is processed by the suppliers before being delivered to the restaurant daily. Because most of the fish is served raw, workers only need to know how to mix and marinate it. “I guess sashimi is kind of like a double-edged sword because we don't need to get trained chefs who are more expensive on your payroll. So we save on manpower but



PHOTO: YEN MENG JIN

▲ TASTE TEST
(Left to right) Mr Gabriel Liong and Mr Mathieu Liong experiment on their own to develop new flavours

on the other hand, it also pushes up your food cost. So you've got to learn how to balance it," explains Mr Gabriel Liong.

Store managers are trained to properly estimate the amount of fish that needs to be prepared in a day, because anything left unsold cannot be stored for the following day. Workers also do not need to handle open fires, even when preparing the cooked menu items, as Katto uses sous vide cookers.

To further leverage on technology, Katto is also implementing self-ordering kiosks, which is intended to increase efficiency. But unlike the traditionally large display panels, Katto plans on using tablets to enhance the convenience for users.

The tablets will also allow for cashless payments, as the brothers have noticed that e-payment has been gaining popularity among their customers. This self-order system is utilised in Katto's new branch in Tanjong Pagar, which was launched in August this year.

Other new outlets includes one in Mapletree's VivoCity, which was launched on the same month, and in Changi Airport, which will be opened in December this year. The latter will also implement self-order systems.

Unlike Katto's first restaurant at Fusionopolis, the three newer shops take the form of take-away kiosks. This is because the Liong brothers have noticed that aside from Katto's busy period, which is during lunch time, most of its 550 sq ft restaurant is underutilised.

They also saw that many of their customers, who are office workers, order their food to go. "I think people are comfortable with takeaway as long as the value proposition is there. So by keeping the shop small, we can reduce our overheads and pass on any cost savings to the customer,"

explains Mr Mathieu Liong.

To further drive down cost and ensure that the food is handled properly, all the fish processing procedures is centralised at the supplier's HACCP (Hazard Analysis Critical Control Points) certified kitchen. To cater to this new model, Katto revamped its menu. "Previously, our food portions were quite big so we were thinking it's not so conducive for takeaway kiosks – so we revamped everything just to ensure there's some consistency when customers visit our outlets as well," explains Mr Gabriel Liong.

Despite the changes, the distinctive local flavours in Katto's menu remains the same. It boasts options such as sambal tuna and chicken rice chili. Katto also releases new flavours bimonthly, to keep loyal customers interested. Initially, these flavours were developed by a hired chef. But after some experience, the brothers began experimenting on their own, based on inspiration gathered from books and the media. Well-received flavours are then kept on the menu permanently. Katto is also exploring more vegetarian options to add to its existing one.

With the new kiosks, Katto hopes to bring more value to its customers. "We try to find the sweet spot. Takeaway, healthy, nutritious, super fresh food, but also accessible – you can have it several times a week," says Mr Mathieu Liong.

The brothers intend to spend the next few years strengthening the Katto brand and refining its processes locally before franchising overseas. ■

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