REVOLUTIONISING THE RETAIL EXPERIENCE

How innovation and productivity can drive better retail performance

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SPRING Singapore is an agency under the Ministry of Trade and Industry responsible for helping Singapore enterprises grow and building trust in Singapore products and services. As the enterprise development agency, SPRING works with partners to help enterprises in financing, capability and management development, technology and innovation, and access to markets. As the national standards and accreditation body, SPRING develops and promotes an internationally-recognised standards and quality assurance infrastructure. SPRING also oversees the safety of general consumer goods in Singapore.

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Baker’s Oven Showcases Productivity Improvement Efforts

Minister of State for Trade and Industry, Mr Teo Ser Luck, visited Baker’s Oven Patiseries’ factory at Food Xchange@Admiralty on 27 August. During the visit, the company shared how it had taken the first step to improve productivity. With support from SPRING Singapore’s Capability Development Grant (CDG), the company installed a fully automated turnkey line that helped to reduce its reliance on manpower, improve product quality and increase revenue.

Mr Teo highlighted Baker’s Oven as a good example of an SME that has proactively tapped government schemes to overcome the limitations of size and reaped benefits. He encouraged more companies to step forward to utilise the various assistance schemes available.

During the visit, Mr Teo also announced the formation of the SME Workgroup, comprising grassroots advisors, government agencies and business representatives, to lead and coordinate efforts to assist SMEs in overcoming the challenges they face in restructuring and raising productivity. Mr Teo will chair the SME Workgroup.

Launch of Productivity Centre for Retail and Food Services Sectors and First Batch of Trained Productivity Consultants Graduates

SMEs in the retail and food services sectors are set to benefit from the launch of a new productivity competency centre. Jointly managed by the Singapore Productivity Association and Nanyang Polytechnic and funded by SPRING Singapore, the Singapore Productivity Centre (SPC) will provide sector-specific productivity expertise and assistance to SMEs in the retail and food services sectors. This was announced by Mr Lee Yi Shyan, Senior Minister of State for Trade & Industry and National Development, at the Graduation Ceremony for the Training Programme on Productivity Consultancy on 30 August. At the event, Mr Lee presented certificates to the business consultants who graduated from the inaugural run of the training programme, which was initiated by SPRING and supported by the Singapore Workforce Development Agency (WDA) to develop a pool of local productivity consultants with domain knowledge in the retail and food services sectors.

Singaporean and Indonesian Educational Companies Sign MOUs to Form Joint Venture

Two Singaporean training and education SMEs, Bridge Learning and Republic Education Group, signed MOUs with Indonesia’s PT Budhi Lestari and its subsidiary, Raffles International Group of Schools, to work with each other in the areas of vocational and skills training to meet the learning needs of the Indonesian market. The MOU signing ceremony was held on 6 September in Bali in conjunction with the 37th APEC SME Working Group Meeting, and was witnessed by Senior Minister of State for Trade & Industry and National Development, Mr Lee Yi Shyan and Indonesia’s Minister for Cooperatives and SMEs, Dr Sjarifuddin Hasan.
Retailers Encouraged to Invest in Productivity, People and Technology

Minister of State for Trade and Industry, Mr Teo Ser Luck, graced the opening ceremony of the 22nd Singapore Retail Industry Conference (SRIC) on 11 September. At the event, Mr Teo updated that over 250 retailers have been supported in various productivity upgrading initiatives since the launch of the retail productivity plan in 2011. He encouraged retailers to invest in productivity, people and technology in view of the ever-changing retail landscape and to constantly update their capabilities and strategies to gain an edge over their competitors. Mr Teo also announced the participation of the Singapore Retailers Association (SRA) in SPRING Singapore’s SME Talent Programme (STP) to help attract and match suitable talents from Polytechnics and Institutes of Technical Education (ITEs) with retail companies participating in the programme.

Two Satellite SME Centres at the North West and Central Districts Launched to Serve Heartland SMEs

On 17 September, the satellite SME Centre@NorthWest, formed by the SME Centre@SMF (Singapore Manufacturing Federation) and the North West Community Development Council (NWCDCC), was launched at the first monthly NWCDCC Mayor’s Network breakfast networking session. Situated at the Woodlands Civic Centre, the SME Centre@NorthWest provides comprehensive business advisory services including one-on-one advisory on government schemes, outreach workshops, and facilitated corporate social responsibility initiatives.

Following that, on 19 September, the SME Centre@Central, formed by the SME Centre@SCCCI (Singapore Chinese Chamber of Commerce & Industry) and the Central Singapore Community Development Council, officially opened its doors at HDB Hub Bizthree to offer business advisory services to the business community in the Central district. At the event, the SME Centre@Central signed a Memorandum of Understanding with nine trade associations to form a partnership to provide business advisory services to their members and promote government assistance schemes, assisting businesses to upgrade capabilities and improve productivity.

These two satellite SME Centres are the latest additions to the network of SME Centres, which is supported by SPRING Singapore for SMEs to have easy access to business advisory to help them start, sustain and grow their businesses.

Education Innovation Network Helps SMEs Cross-Share Best Practices

Private education SMEs will now have access to thought leaders and pedagogy experts for cross-sharing of best practices and methodologies using a new Education Innovation (EI) Network introduced by SPRING Singapore. This was announced by Mr Ted Tan, SPRING’s Deputy Chief Executive, at the Education Innovation Reloaded seminar on 12 September. Apart from helping private education SMEs increase content quality through experts and industry validation, the network will also bring thought leaders and training providers together to exchange ideas and initiate private sector-led consortiums for greater sector-wide impact. SPRING will be collaborating with local and overseas partners and will kick off its first EI Network session this November for the corporate training sector.

$2.5 Million Awarded to Seven Local Enterprises to Develop Solutions for Used Water Sector

On 30 September, seven local enterprises were awarded $2.5 million to develop innovative used water treatment technologies following a competitive joint grant call by SPRING Singapore and PUB, Singapore’s national water agency. The seven SMEs and start-ups will employ innovative technologies to develop applications for both industrial and domestic used water treatment to enhance the efficiency of used water treatment processes and also reduce industrial water consumption through recycling used water.
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How innovation and productivity can drive better retail performance
The retail industry is a key pillar of Singapore’s economy and contributes to the vibrancy of the city, the quality of living for Singaporeans, and serves as a key attraction for tourists around the region. The retail landscape is also one that is constantly evolving – with changing consumer preferences and new product and concept offerings – leaving retailers vying for that additional dollar from customers that walk into the store (or online store).

**Trends and development**

Today’s knowledgeable and discerning consumers are no longer satisfied with the traditional relationship where retailers ‘push’ products and information to them. They want to have a greater say in the information they receive, the decisions they make and also actively demand communication with the retailer.

Faced with a constantly evolving retail landscape that has shorter cycles of change, companies cannot rest on their laurels and must evolve to survive. Rising costs, intensified competition from non-traditional business models and increasing expectations from customers and staff are common challenges that retail companies grapple with.

Today’s retailers have to go back to basics and have deeper consumer insights – understanding and engaging customers at various touch points, across different communication channels and market segments, to fully appreciate their expectations. It is crucial for retailers to continuously innovate, upgrade their capabilities and find new ways to compete in this challenging landscape.

**Boosting productivity**

Retailers can take the first step forward to make incremental improvements to their businesses by tapping self-help productivity toolkits. For example, the Process Redesign (Retail) tool illustrates how retail companies can simplify workflow in the stock ordering and replenishment process, while the SKU Analysis tool allows retailers to better manage product mix so as to achieve optimal sales and gross profit.

Furthermore, SMEs can make use of the Innovation & Capability Voucher (ICV) to gain quick-wins in the area of innovation, productivity, human resources and financial management with the help of professional consultants.

Retailers seeking the next phase of growth can also look to programmes like the Capability Development Grant (CDG) to help them develop medium-term retail strategies and a differentiated value proposition for their customers. Some strategies to support retail transformation include developing omni-channel retailing capabilities, driving organisation change, expanding into new markets, and developing winning products and concepts.

This is just what leading retailer Club 21 did. To improve operational efficiency at its Armani Exchange stores and warehouses, it looked to RFID technology to enhance staff productivity, better deploy staff to perform other value added work and focus on serving customers better.

**Being there for the customer at every step**

Investing in technology is another way in which retailers can be omni-present to the customers at every step of their decision-making journey. One approach that is receiving particular attention is the concept of omni-channel retailing.

By leveraging digital technology, omni-channel retailing enables retailers to deliver a seamless shopping experience to customers across multiple channels and touch points. For example, a customer could start by researching a product online before going to a store to learn more about the product and experience it first hand before making the purchase. Alternatively, the customer could try out a new product in the physical store, order it online and have it arranged to be delivered to their doorstep.

Regardless of the touch points used or the process leading to a purchase, omni-channel retailing can deliver a retail experience that is convenient, customised and engaging for customers. An example of a company that has successfully done so is Atlas Sound & Vision, one of Singapore’s leading retailers of premium audio-visual equipment.

By redesigning its online retail store to better communicate the quality of its products, Atlas Sound & Vision managed to enhance the retail experience of its customers. This has not only led to an increase in online sales revenue but also more customers walking into the physical store to learn more about Atlas’s product offerings.

**Investing in human capital**

Despite advancements in technology, the reality is that most retail transactions continue to be based on direct interaction between customers and sales staff. It is also the human factor that drives the implementation and successful adoption of any new process or technology.

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**SPRING’s SME Talent Programme (STP)**

Despite advancements in technology, the reality is that most retail transactions continue to be based on direct interaction between customers and sales staff. It is also the human factor that drives the implementation and successful adoption of any new process or technology. It is therefore crucial for retail companies to be committed to investing in their staff at all levels.

Retailers need to have a clear understanding of their business to know the type of skills that are required and thereafter, equip staff with the relevant skill sets. Given the tight labour market, retail companies must recognise the need to attract and retain the right talent to ensure a continuous pipeline of retail staff to meet their business needs.

Read on to find out how Atlas Sound & Vision, Club 21 and other local retailers have taken the plunge and invested in their people and in new systems, processes and concepts to ensure they stay ahead of the pack.
Atlas Sound & Vision has come a long way from its humble beginnings in the 1960s, when it was a record library in a shop house on Market Street. Today it is one of Singapore’s leading retailers of premium audio-visual equipment, with a flagship showroom at TripleOne Somerset and a number of other stores around the island.

Much has changed over the years, says Dr Michael Tien, the company’s CEO. “We’ve seen the ups and downs of the industry with the emergence of new and disruptive technologies. In line with these changes, our business has also evolved.”

One thing that has stayed the same, though, is the approach to helping customers. What Dr Tien calls the “Atlas Way” is built on a belief that customers should be educated and inspired by personally experiencing the magic of each product. “Once you educate and inspire your customer, they have the ability to make informed decisions for themselves. This is an approach that we use for every customer that walks through our doors, and it is something that I believe they truly appreciate.”

Understanding customers

“Doing things differently is something we always think about. So finding new ways to look at our customers and meet their needs comes naturally for us,” explains Dr Tien.

As part of the company’s efforts to do this, it embarked on a design thinking project supported by sPRING Singapore. Through the project, Atlas Sound & Vision engaged the help of design facilitators to take it through the design thinking approach, which involves adopting a user’s perspective to look at products and services, and using this perspective to understand how products or services offerings can be improved.

“Design thinking is not an entirely new concept to us. We have always been aware of it but have never used it. When we finally did, it helped us to articulate what we are doing and refine how we are doing it,” says Dr Tien. “Through the application of design thinking, we are able to observe things from our customers’ point of view.”

Atlas Sound & Vision’s flagship showroom follows many of the concepts of design thinking, as it was prepared with the customer’s needs in mind.

“By engaging our customers in our showroom, we are able to show them the benefits of our premium audio and vision products, rather than just sharing the features with them. That’s one of the things that design thinking led us to understand: that it’s not just about the specifications of a product. What really hooks a customer is to let them experience the actual benefits of the technology – the superior sound and video that it delivers, and how it enhances their experience,” explains Dr Tien.

Understanding that many people start their retail experience online or on a mobile device, Atlas Sound & Vision also looked into omni-channel retailing as a means to reach out to its customers who shop both online and offline. It has redesigned its online store to enhance the retail experience of its customers and to better communicate the quality of its systems.

The results have been positive, with about 15,000 people visiting the revamped online store in the first 40 days after it was launched, leading to about 180 orders. This has generated about $60,000 for the business. Atlas Sound & Vision projects that online revenue will hit $600,000 per year and has set a goal of having 20% of its customers buying online within three years.

In addition to the online retail channel, the improved website has served to draw more customers to Atlas Sound & Vision’s stores, says Dr Tien. “They get a taste and come into the store to learn more and have a hands-on experience with the products.”

Tapping the youth market

Atlas Sound & Vision hopes to capture a younger customer segment who are important to the company’s future growth. Hence, in line with the design thinking approach, it has recently made a significant effort to better understand the needs of younger consumers.

As part of Atlas Sound & Vision’s 50th anniversary activities to give back to the community, it collaborated with Temasek Polytechnic to set up a retail pop-up store on its campus from May to August this year. The store, called The Void, sold Atlas’s products including Bose personal audio products and was managed and operated by students from the Diploma in Retail Management programme at Temasek Polytechnic.

Importantly, the pop-up store was also an opportunity for Atlas Sound & Vision to gain an in-depth understanding of a younger generation of customers. “One of the things we learned is that youths are big on individualism. They want the opportunity to personalise their gear and often pick colours that we would not normally consider. The collaboration was a win-win situation for us and students from the Diploma in Retail Management programme as the students got to learn the ropes of managing a retail store while we gained valuable insights into the youth segment,” says Dr Tien.

Atlas Sound & Vision also had the students organise a DJ battle at Orchard Cineleisure using a new portable DJ console, called the PDJ. The event was a big hit and gave Atlas new insights into youth preferences. It also turned out to be a great branding exercise for the company, helping it to reach out to the younger market segment.

These ventures into the youth market have given Atlas Sound & Vision a stronger understanding of what the new generation of consumers are looking for in terms of audio-visual equipment, says Dr Tien. “Looking at the youth market was a step that we had to take. They have the potential to be our customers now and for many years to come, so we have to understand how we can meet their needs.”

KEY TAKEAWAYS
• Understanding your customers is an important step towards creating stronger engagement and ultimately increasing sales.
• To find out how sPRING can help you tap design facilitators to adopt design thinking methodologies for Business Innovation & Design, visit www.spring.gov.sg/CDG.
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Companies in the retail sector face a wide range of challenges. High rental and labour costs demand a strict focus on cost control and operational efficiency, while fierce competition underlines the need for innovation and new ways of doing things.

Faced with this challenging environment, Singapore’s Club 21, a leading retailer with more than 300 stores across Asia representing international brands such as A|X Armani Exchange, Marc Jacobs and Dolce & Gabbana, is always looking for an edge.

“We have to constantly look at ways to improve our operations,” says Mr Loh Sing Yong, Club 21’s Regional Logistics Manager. “Following feedback from our store operations teams that they were being overwhelmed with labour-intensive tasks such as stock taking and tracking, we decided to find out more about radio frequency identification (RFID) technology, to see if it could offer a solution to make our operations faster and easier.”

After speaking with a number of vendors, Club 21 asked Motorola to provide a demonstration of how RFID technology could be applied to the company’s warehouse and supply chain.

“One once we saw what was possible, we were sold on the idea and moved forward with developing a solution to meet our needs,” says Mr Loh.

Club 21 also approached SPRING Singapore for support for the project and was able to tap SPRING’s Capability Development Grant.

Impressive results

The RFID system, which went live in November last year for Club 21’s five A|X Armani Exchange stores and its warehouse, allows item-level stock identification without opening boxes of merchandise. The RFID tags have a transmitter and antenna embedded in them, so they can be read without being removed from the box. Staff just sweep the boxes with a scanner and it reads all the content on the RFID tags, which are attached to each individual item.

RFID replaced a stock taking system that involved staff removing each individual item from every box to note down details on a clipboard or scan the barcodes on each item’s tags.

“The results have been dramatic – much better than we expected,” Mr Loh explains. “We just completed the first stock taking at the warehouse since we implemented the system. This took six man-days, with three people working together for two days. Warehouse stock taking used to take us up to 100 man-days, so that’s about a 95% savings in terms of manpower!”

The impressive results have also had an impact on sales staff. In previous years, 10 to 12 staff would be pulled from the stores to make our operations faster and easier. “The system increases stock tracking integrity – our recent warehouse stock count perfectly matched with what we thought we had,” notes Mr Loh. “The increased speed and the fact that the data feeds directly into our management systems also gives us much better visibility of our supply chain, so that we can see trends developing and manage stock movements and sales better.”

The road to success

While the development and implementation of the RFID system was done over the course of just one year, it took lot of hard work and careful planning to make it a success.

“Integrating the system with our existing management systems was a challenge, but no more so than any other new technology would be, and ultimately it was something that we were able to do effectively,” notes Mr Roland Gui, Club 21’s Management Information Systems Manager.

Clear communication with staff throughout the project was another key success factor. Staff were initially shown videos from Motorola so they would understand what the goal of the new system was and how the technology would work. They were then updated as work progressed and given the training they needed to use the system effectively.

“This resulted in real buy-in from all parts of the business, which ultimately drove the success of this project,” Mr Loh notes.

With the success of the RFID system for Club 21’s A|X Armani Exchange operations, there are plans to expand it to other brands and stores. Another goal is to eventually expand the system up the supply chain, to get Club 21’s suppliers to adopt RFID, so that the goods come in already tagged, and can be scanned straight into the company’s system.

“Now that we’ve seen the results, our big question is: Why didn’t we do this sooner?” says Mr Loh.

“The system has enhanced the customer experience by allowing the staff in our stores to be much more efficient. They have more energy and time to focus on serving customers better.”

Mr Sherman Tan (third from left), Club 21 Retail Operations Manager for A|X Armani Exchange stores with his project team members, Mr Loh Sing Yong (left) and Mr Roland Gui.
Going DIGITAL

Anniversaries are often a time for celebration, and a time to consider what the future holds. For La Putri, which is celebrating its 40th anniversary in 2013, this means keeping a sharp eye on the future as it transforms its business to meet the needs of a new generation of customers.

The family-run business has grown steadily over the past four decades, and has earned a reputation as a leading designer and retailer of fine jewellery. However, even as it achieves success, it is necessary to keep evolving, says Ms Goh Shuet-Li, the company’s co-owner and director.

Recently, this has included a focus on expanding La Putri’s digital presence to reach out to customers through new channels and enhance their shopping experience. This project was undertaken personally by Ms Goh with a small team.

“Today, our customers expect to be able to find us, or for us to be able to reach out to them immediately, through whichever channel they want. If we can’t do this, we’re thought of as old-fashioned,” explains Ms Goh. “This has made it increasingly obvious that it is no longer feasible for us to rely on traditional communication channels and our physical boutique. Hence it is important for us to establish our presence in social media, the internet and on mobile platforms.”

Embarking on an online journey

Following this realisation, Ms Goh approached SPRING Singapore to understand what kind of programmes and support there might be for developing La Putri’s online strategy. She was able to tap SPRING’s Capability Development Grant (CDG) to engage consultants to help her get started.

Since her first discussions with SPRING at the end of last year, a new website, which includes an e-commerce store, has been launched. La Putri has also started a Facebook page and is using electronic direct mailers (EDMs) to reach out to its customer base.

“The website was the most logical starting point, as it would be our main online presence. Social media and the EDMs were also added to give us a variety of channels for engaging customers,” says Ms Goh.

Despite limited sales activity through the website, feedback has been positive, with customers coming to the boutique and mentioning that they saw a certain piece of jewellery on the website, Facebook page or in an EDM, she adds.

“It was never our intention for the e-commerce element to replace our in-store experience as jewellery is a very personal purchase that people usually want to make in person,” explains Ms Goh. “However, it is important to have it there so that customers have that option, and the opportunity to browse our jewellery at their convenience and become acquainted with our designs.”

Although La Putri’s digital footprint has come a long way in a short time, there are no plans to stop at this point. Ms Goh is considering whether Instagram may be appropriate, together with an upgrade to La Putri’s Facebook page. These and other potential developments are part of La Putri’s commitment to enhancing the customer experience and ensuring the company stays relevant to its customers.

Digital challenges

Bringing the business online has not been without challenges, notes Ms Goh. “It’s really just the beginning of a very long journey,” she says. “The challenge for me is trying to find out what my options are. With so many different channels that are rapidly evolving, and new ones always popping up, it’s been very difficult to find any one person who can give me a really comprehensive picture.”

She has also come to realise that La Putri’s online presence is no longer something she can manage on her own. To address this, she is working with third parties who will guide her and her staff through the initial stages of managing channels such as Facebook, Instagram and EDMs.

The hope is that after a few months, it may be possible to do most of the work in-house and only look externally for major new developments. Ms Goh also foresees the day when she will need to have one staff dedicated solely to La Putri’s digital marketing initiatives.

With so many options in the digital marketing universe, it is important to identify your objectives and remain focused, she notes. “For us, it wasn’t so much the direct e-sales, but rather developing a new communication channel with existing customers and hopefully reaching out to a new generation of customers. We’ve been around for four decades, but we need to ensure that our customer pipeline includes younger people. Hence this is an important step we have to take.”

Our customers expect to be able to find us, or for us to be able to reach out to them immediately, through whichever channel they want. If we can’t do this, we’re thought of as old-fashioned.”

Ms Goh Shuet-Li
La Putri’s Co-owner and Director

Fine jewellery boutique La Putri ventures online to reach out to its customers

KEY TAKEAWAYS
- Digital channels are an important element of any retail strategy, and can play a complementary role to enhance the traditional in-store customer experience.
- To find out more about the support available from SPRING for developing an online retail presence, please visit www.spring.gov.sg/CDG.
The Fruits of Collaboration

For A Balcony and the Star Furniture Group, the decision to work together on a new line of furniture has proven to be a mutually beneficial experience, and an example of how collaborations in the retail space can lead to new opportunities and the opening up of new markets.

The idea for the collaboration came from Mr Jerry Low of design consultancy, A Balcony. Building on his design for a desk called the Jotter desk – inspired by a brand of notebook from the 1970s called a Jotter book – Mr Low approached Star Furniture Group’s managing director, Mr Kenny Koh, with the idea of developing the concept into a larger collection.

Impressed by Mr Low’s designs, Mr Koh saw the potential to create something fresh and new that would appeal to his existing customers and possibly reach out to new customer segments.

A partnership is born

The partnership quickly took off, and Mr Low, Mr Koh and the design team from Star Furniture Group worked closely together to develop the collection.

“It has been a good learning process, especially working closely with a manufacturer like Star Furniture Group to understand what is possible from a production standpoint and making design adjustments where necessary,” explains Mr Low.

The result was the JotterGoods collection, launched under Star Living – a retail concept brand under Star Furniture Group – in 2012 and promoted through a shop-in-shop outlet at its Labrador showroom. While sales were initially slow, they started to take off, increasing five-fold with JotterGoods gaining more exposure in other outlets of Star Furniture Group, including the IMM store in Jurong East.

“Sales have been strong, and we are now also exporting the JotterGoods line to markets such as Australia, Canada, Chile, Holland, South Korea, Spain, Thailand and the United States,” says Ms Xu Xue Ting, Star Furniture’s Group Retail Manager. “We will also be launching a shop-in-shop concept at our upcoming second outlet in Malaysia, and we are in discussions to bring it to our stores in Taiwan as well.”

New opportunities

By working together, A Balcony and Star Furniture Group have opened up new possibilities and new markets together. The collection has seen selling well amongst expatriates and young professionals in Singapore, and has brought something new to Star Furniture Group’s offering.

“This collection appeals to a different customer group than what Star Furniture Group usually focuses on.

It is unique in that it tells a story, and it’s something new for our customers,” notes Ms Xu.

The success has led to work on expanding the line. The initial collection, which included 14 different pieces including the original Jotter desk and several sofas and coffee tables, is now being expanded to some 40 pieces.

“We had comments from customers that the collection was a bit small, and that there were limited possibilities to mix and match items from within the collection,” explains Ms Xu. “With the expanded selection launching soon, it should be more appealing to customers as there will be more choice.”

While the success so far has been impressive, Mr Low believes that the JotterGoods concept can be taken further in a couple of ways. One is to bring in other designers from Star Furniture Group’s in-house team to lend their own interpretations to the concept, and the other is to expand beyond furniture into other design-related accessories and soft furnishings.

“From a design point of view, it would be good if other designers could also design for the brand. They could bring in new perspectives and potentially help the collection to grow in new directions,” he explains.

KEY TAKEAWAYS

• Partnership formation and collaboration can lead to innovation amongst enterprises, new product development and access to new markets.

• To find out how SPRING can facilitate design partnerships and product innovations, visit www.spring.gov.sg/CDG.
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Enabling Enterprises
Like many rapidly growing businesses, Far East Flora, a leading florist and provider of plant and landscaping related products and services, faces its fair share of challenges. Chief amongst these is finding the right people with the right skills to fuel the company’s growth, says Mr Peter Cheok, Far East Flora’s Sales & Marketing Director.

One of the company’s solutions to its manpower challenges is to focus on developing talent internally, to ensure that staff are both capable and motivated to help the company grow.

“We hire the right people to meet our needs, and then work closely with them to support their development in order to maximise their contribution to the business,” he explains.

Training for success
In the past year, Far East Flora has sent six of its staff from across different business functions to participate in the SPRING-SIM High-Potential Leadership Programme. The programme aims to help high-growth companies develop a strong pool of middle management to meet the demands of business expansion and help the companies seize opportunities for growth.

Ms Milie Wong (top), a Senior Sales Executive at O2 Plants, a Far East Flora subsidiary, was one of the staff who benefitted from this programme. She believes it has helped her to become more effective and productive, and provided her with greater confidence in her interactions with colleagues and customers.

“Attending the programme was a valuable experience for me. We learned about how to engage with different types of people and this has improved my communication skills and helped me on sales pitches, as I know how to better approach and interact with different kinds of customers,” Ms Wong explains.

“We were also introduced to theoretical models of team development which allowed me to learn how to develop and grow a team,” she adds.

Mr Cheok believes that investing in talent development has delivered clear results, allowing Far East Flora to grow faster and improve customer satisfaction and retention.

“Sending staff for external courses like the SPRING-SIM High Potential Leadership Programme has given them exposure to development opportunities which they would never get by working in the company. Given this exposure, they bring more value back to the company and contribute more positively to the growth of the company.”

“One of the best measures is that we are getting a lot of business referrals, which shows that our customers are not just happy, but also confident enough in our staff and the service they provide to recommend us to others,” he adds.
**KEY TAKEAWAYS**

- Investing in staff development can lead to a more motivated and inspired workforce with the right skills and abilities to grow your business.
- To find out how SPRING Singapore can support your training and development initiatives, visit www.spring.gov.sg/CDG.

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**Communication is key**

While committing the time and financial resources needed for training programmes is a big part of Far East Flora’s talent development strategy, clear two-way communication is another important element. For Far East Flora, this extends to effectively communicating performance expectations to staff through the company’s performance evaluation system, including detailed key performance indicators (KPIs).

“This allows staff to know how they are performing relative to expectations and what areas they may need to develop further,” says Mr Cheok.

The twice-yearly performance evaluations are also an opportunity to engage staff and obtain feedback on how the company can improve its operations. Mr Cheok describes it as a “hands-on” approach to HR management with the aim of working closely with staff to come up with new ideas and innovative processes. He says this approach has led to more efficient processes during client events, and has also resulted in an improved system for managing and updating the customer database. “It’s a very open environment. We are always free to give our comments and suggestions, and there’s a feeling that management is open to our inputs and to finding new and better ways to do things,” adds Ms Wong.

This open, collaborative style of management fits well with the talent development initiatives that Far East Flora has in place, says Mr Cheok. “Staff are more motivated to find ways to improve the business when they see that we are also supportive of them by sending them for training and development.”

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*Through the SPRING-SIM High-Potential Leadership Programme, I learned how to communicate more effectively with my colleagues and customers and was introduced to theoretical concepts on how to develop and grow a team.*

Ms Milie Wong
Senior Sales Executive
O2 Plants

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As a retailer, how can I redesign the key processes in my shop?

Ensuring that you have efficient business processes is a major step towards achieving higher productivity and better business results. Here’s how the Process Redesign [Retail] Tool from SPRING Singapore’s Productivity Toolkit can help you simplify the steps in your workflow.

Follow these four simple steps:

1. List the steps in the current process
2. Identify waste in each step
3. Redesign the process
4. Implement the change

Steps in current process:

1. Sort inventory
2. Return or discard expired/spoil products
3. Identify inventory sold
4. Decide products to be ordered
5. Look for the right supplier
6. Place order
7. Receive and inspect products
8. Display products

Simplified process:

1. Sort inventory
2. Return or discard expired/spoil products

Common Wastages

- Unnecessary movements due to messy and disorganised inventory
- Under-utilised manpower due to manual sorting of defects and waiting for product replacement
- Over-processing as a result of repeated inventory checks

Causes of Wastages

- Lack of housekeeping knowledge
- Unaware of availability of software to track inventory, supplier information and delivery status
- Lack of knowledge to utilise technology to improve processes

Some ways to redesign processes include:

- Labelling inventory space and making popular items more accessible
- Use an integrated POS that:
  - Records products sold
  - Updates stock list automatically
  - Performs customer demand forecast
  - Places orders with supplier when inventory is low

How will I benefit?

To learn more about the Productivity Toolkit, visit www.WayToGo.sg/productivity-toolkit or an SME Centre today.
Raise productivity with the right tools

**GENERAL**
- IMPACT Primer: Assess productivity performance
- 5S: Practise good housekeeping
- 7W: Cut out waste
- Manpower Scheduling: Design efficient work schedule

**RETAIL**
- Process Redesign: Simplify workflow
- SKU Analysis: Determine the right product mix
- Stock Control: Manage inventory

**FOOD SERVICES**
- Process Redesign: Simplify workflow
- Menu Analysis: Create a menu that sells

Download the productivity tools online at [www.waytogo.sg](http://www.waytogo.sg) or approach advisors for assistance at any of the [SME Centres](http://www.smecentre-asme.sg).

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