

# Homegrown nuts company aims to grow Asean markets

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**L**IKE its icon, the camel – which symbolises strength, endurance and resilience – Seng Hua Hng Foodstuff Pte Ltd, has defied all odds since modest beginnings in 1974 to emerge a first-time winner of the prestigious Enterprise 50 (E50) Award last year.

The company behind the iconic Camel brand of nuts founded by Poh Ah Seng and his wife, Poh-Ong Siew Hua, to offer peanuts locally will expand on its existing distribution to the huge China market and increase its presence there when its Xiamen factory starts production in mid-2020.

Seng Hua Hng has become Singapore's largest and only homegrown nuts manufacturer with exports to 29 countries, more than 160 employees and 200 stock-keeping units – a far cry from having just five employees and three products to show for when it started. Besides its prominent brand Camel Nuts, Seng Hua Hng also owns Max's Farm Cassava Chips and premium nuts store, Seeds of Joy.

Forty-five years after the founding of Seng Hua Hng, managing director Mr Poh and director Mrs Poh are still passionate about their business, continuing to spearhead sourcing of premium-quality raw materials.

In recent years, the couple's children, Poh Shih Yin and her younger brother Poh Kai Keng, recognised the need for them to step up, and have taken on increasingly significant roles in the management of the company as business development directors, leading areas such as market expansion, branding and IT planning.

## Wholesome nuts good for business

A core principle that Seng Hua Hng remains fully committed to is keeping its products tasty and wholesome. The company has identified "eating clean" as a developing trend, and business development director Ms Poh, 44, believes that the company has done well in anticipating this early.

Instead of using chemical addi-



Seng Hua Hng's founder and MD, Mr Poh (right), with his son Poh Kai Keng, who is business development director, at the 2018 Enterprise 50 Award gala dinner. PHOTO: SENG HUA HNG FOODSTUFF PTE LTD

tives to enhance the nut flavours, the company opts for raw materials of the highest quality so consumers can savour the original taste of the nuts and reap their nutrients.

Today, healthier varieties of nuts such as cashews and almonds have become increasingly popular.

"Consumers in their 20s to 30s now see nuts as a proper food and part of their daily consumption," said Ms Poh. Seng Hua Hng has been act-

ively looking into healthy nuts with superior nutritional value and exploring ways to market these nuts that are palatable and without compromising their health benefits.

Beyond snacks, Seng Hua Hng recognises that nuts are also a functional food that can be incorporated into daily meals. Ms Poh believes that for nuts to remain relevant for everyone, effective segmentation of Camel Nuts products is key.

## Younger consumers: Tough nuts to crack

To explore innovative ideas to attract younger consumers, it has engaged with students from Singapore Management University and Temasek Polytechnic. Its efforts have proven fruitful and the company has been presented with some innovative ideas worth evaluating.

Camel's sister brand, Seeds of Joy, offers another avenue for innovation and research by serving fresh warm nuts with customisable flavours, over the counter at the company's seven outlets, with the flagship store at Jem in Jurong East, allowing the company to experiment and gauge how the products are received by customers.

## Staying in Singapore despite rising costs

"We want to be a true blue Singapore nuts processor," pledged Ms Poh. Seng Hua Hng believes that profitability will only be marginally better if it were to shift overseas given that the main bulk of the costs still comes from the raw materials needed for production.

It is confident it can still remain cost competitive while maintaining high product standards through improved productivity and an increased reliance on automation. "Singapore still has a very high brand equity and people associate a high standard to the quality of food in Singapore," Ms Poh emphasised.

Many of Seng Hua Hng's veterans who have helped to build up the business from its early years are also still working there in various capacities. The company regards every staff member as an integral member of a larger family rather than just an employee.

## Upgrading the nuts and bolts to improve operations

Like many forward-looking companies, Seng Hua Hng has already embarked on its digitalisation journey, spreading across various functions of the business. In 2018, it implemented a mobile sales and inventory management system which has greatly reduced the paper trail and processing time.

The company has reached out to

increasingly tech-savvy consumers both via its own online store and with partners such as NTUC Fairprice Online and Lazada. It has also tapped social media to reach out to consumers, educating them about the health benefits of its products and organising contests to increase awareness of the Camel brand.

## Growing future business

With exports constituting 30 per cent of its total revenue, Seng Hua Hng has identified Asia as its key region of growth for the future.

Besides the China market, where it will significantly expand production in its Xiamen factory from mid-2020, the company has plans to increase its market share and grow its brand presence in Asean markets such as Cambodia, Vietnam, Thailand, Indonesia, Malaysia and the Philippines where it already has a strong foothold.



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