

# A toast to a Singapore icon

Jesher Loi, grandson of Ya Kun's late founder, believes in having employees at all levels working together. **BY FAUZI BAJURI, CHIANG HAN SHENG, ESTEE GUAN XIANG TING AND JOY WONG PUI YIN**

**A**T kaya toast chain Ya Kun, the business operates like "one big family" – one with different roles and functions, says Jesher Loi, director of branding and market development. It's a family-focused metaphor, he says, that sums up the company's approach to business.

Mr Loi, grandson of Ya Kun's late founder Loi Ah Koon, believes having employees at all levels working together plays a crucial role in steering the firm towards achieving its goals. To him this means sharing the Singapore culture and experience with the rest of the world through its food products.

Founded 75 years ago, Ya Kun has since expanded to over 60 outlets nationwide and is looking to continue overseas. Its determination and growth led the company to win the prestigious E50 award in 2017.

## Innovation and tradition

For Ya Kun the ability to integrate innovation with heritage and tradition has been key to growth – the company has a dedicated product development team that is responsible for creating new food products while staying true to its history and core values.

One such venture has been a series of seasonal products sold during special occasions to give customers new tastes alongside its traditional core offerings of kaya toast and Nanyang style coffee. Recent seasonal launches include Cinnamon French Toast Sticks during Christmas, taro-flavoured steamed bread during Mother's Day and Golden Prosperity Mantou during Chinese New Year.

Ya Kun also embraces technology

to enhance its operations and solve problems, such as introducing a paging system at its outlets for customers while also helping overcome manpower shortages.

Mr Loi says the firm's focus on the customer experience can be traced back to its founder, who believed in going beyond just serving food to also deliver kindness to customers.

## Approach to competition and staff

Innovation coupled with a commitment to preserving its heritage has helped Ya Kun maintain its competitive edge in an increasingly saturated industry.

Despite the proliferation of cafes, coffee shops and food fads, Mr Loi says Ya Kun remains unfazed, occupying a distinctive market segment with unique products and price points.

He believes that everyone needs to be on the same page to achieve success. Ya Kun encourages and ensures that all employees share the same vision to move forward and grow together.

By empowering its employees, offering meaningful career development, being transparent about future developments and building camaraderie at all levels, Ya Kun is able to retain valuable talent.

The firm adopts a meritocratic approach to hiring and promoting its employees, delivering on the Ya Kun's philosophy of a "family owned, professionally managed" company with a top management team recruited on merit and for their experience in the industry. Such an approach allows Ya Kun to reward staff fairly and helps motivate them to continue delivering value to customers.



## International presence

The long queues at Ya Kun outlets every morning show that the company has become a part of daily routine for many Singaporeans. Now the company has ambitions to grow its presence overseas – exporting its secret kaya recipe to new customers and sharing Singapore's coffee shop culture with people farther afield.

In 2001, Ya Kun International was established, taking the business first to Indonesia in 2003 and then on to other Asian countries such as China, South Korea, and Japan.

Ya Kun sees the key to successful overseas growth is in continually developing strategies for each new market while also ensuring its core product and heritage are not compromised.

Kaya toast is the core product of the company and closely identified with its Singapore identity. At the same time, Ya Kun has adapted its menu and introduced new products for different tastebuds.

Likewise, its own blend and preparation of Nanyang style coffee, using a

secret combination of beans that are not readily available to its competitors, has helped it carve out a growing following overseas.

This cultivated international reputation has begun to attract potential overseas business partners.

In Japan, for example, Ya Kun piqued the interest of Beard Papa, a maker of cream puff pastries. Seeing that both firms share synergies in values and business principles, Ya Kun has since become the franchisee of Beard Papa, complementing its own expansion plans. Reciprocally, Ya Kun's kaya has been incorporated into Beard Papa's menu in Japan.

Ya Kun's efforts to expand globally is a strategic step to ensure the continued success of the firm.

"We cannot stay stagnant," says Mr Loi. "Even though we are a heritage brand we can repackage the heritage elements. We need to keep moving forward and showing our customers how we are changing."

■ The writers are students at NUS Business School.

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LIANHE ZAOBAO  
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