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Staying true, being real

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STAYING TRUE, BEING REAL

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A university graduate with a support system can turn a school project into reality. Frozen yogurt business Sogurt's founder tells it all

It started with her love for frozen yogurt, commonly known by fans as froyo, when she was studying in a university in Los Angeles, U.S. **Lee Li Ping** was then a business degree student and would bring her friends to enjoy a tub of froyo daily.

For a module on entrepreneurship, she worked on setting up a froyo business as her school project for which she did research on the business model, suppliers and customers. She included her vision and personality, as well as other aspects based on the comments she had gathered on froyo outlets from her friends into her business proposal.

“My parents visited me at my graduation in L.A. and we would have froyo every day. I did not see it as a business pitch at that time because I was sharing with them my excitement for froyo. Now, I guess it was an investment pitch,” Lee said at the Kwanpen-IIE Entrepreneurship Lunch Talk organised by the Institute of Innovation and Entrepreneurship on 12 November 2015 at Singapore Management University.

“I shared with them how froyo was popular among Singaporeans as a healthy snack in L.A. and it was not available back home. I told them what I loved about the froyo place in L.A. and they liked the experience too.”

REALISING A DREAM

A few months after returning to Singapore upon graduating from university, Lee did not actively apply for jobs as she had no desire to work in the corporate world. But she did not imagine that she would show her school project to her parents.

“When my parents asked me about my plans for the future over coffee, I told them I still liked the froyo idea. They said if I think the idea can work, I should give it a try. That was the verbal affirmation from my parents of my dream.

“I showed them my business plan which I had submitted as a school project. As they saw how serious I was about the idea and that I have done my research, my parents decided to support me and funded my first store.”

LEARNING FROM REALITY

With the support of her parents, she opened her first shop in a sleepy row of shop houses surrounded by a few schools and a bus stop.

"I know how important the location of the first store is for the business. However, I did not count the number of people who walked past a location for a period of time or conduct market research. Things just fell into place and they were not planned for. The first place that I saw jumped out at me and it became the first Sogurt store. I guess it is serendipity."

The store was also what she had envisioned - Sogurt customers would fill a cup with froyo and fruit toppings of their choice and pay based on the weight of the dessert. However, the first day of business gave her the first lesson from the school of hard knocks.

"The store had white walls with five posters and minimal decoration. It was amazing that we attracted people to enter the store. At that time, we did not know how to operate the machines very well, although the supplier had taught us how to handle them.

"Social media has helped to propel my team to gain exposure at the start of the business and interact with the customers, but it cannot bring you far in terms of sustaining the business."

"It was the most tiring day of my life. But it was exciting and fun. We were cleaning the machines and topping them up with ingredients. When we washed the machines at the end of the day, we drained the yogurt but they flooded the floor of the store. There was chocolate yogurt on the floor that looked like sticky and muddy water. We had to mop the floor and I wondered if it would be the first and last day of Sogurt."

"SCARCITY BRINGS INNOVATION"

That incident led Lee to create standard operating procedures (SOPs) as the business continued. It was a day-to-day journey for Lee as she thought of creative ways to solve challenges that came her way.

For example, to get more customers, she took photos of students enjoying froyo in her store and posted the images on Facebook. As the social media platform was then a new concept, her customers would get excited and tag their profiles onto the pictures and share with their friends.

"Scarcity brings innovation and I did not have funds to advertise my business. I had to get creative in bringing in the customers," she says.

CULTURE SUSTAINS BUSINESS

While social media has helped create hype and a viral effect for her business, Lee says that it is not a long-term solution to growing her business.

"Social media has evolved from the time I first used it for my business. It has helped to propel my team to gain exposure at the start of the business and interact with the customers. But social media cannot bring you far in terms of sustaining the business. It can generate hype but how long can that be sustained?"

"People resonate more with the brand than social media hype. For Sogurt, people resonate with the culture of love, joy and friendship, which sustains the brand. As humans, we desire and crave love, being happy and accepted and have happy memories, which are the brand values of Sogurt," says Lee.

To create that culture, it begins with her staff, whom she calls Sogirls. They are recruited from among her friends and their siblings who were studying but would like to work part-time.

“Sogurt has a friendly work culture with 90% staff being part-timers. They are all girls because the first uniform is a strawberry dress. In the five years of business and many job applicants, I’ve received two from guys.”

Five years after the first opening of the store, Sogurt employs five full time staff and 120 part-timers in eight shops located in Singapore. Each outlet is managed by a captain and an operations manager. While the captain looks after the welfare of the part-timers, the operations manager sees to the day-to-day demands of the business.

“I wanted the staff to enjoy working in Sogurt without a top-down environment. I created one of mutual acceptance, forgiveness and friendship with colleagues and customers. I want them to come to work to learn, grow and have a good time.”

When it comes to managing conflict and mistakes, Lee has this to say: “I do not want to blame my staff if there are slips in customer service. How they handle the customers reflects on the system and how I have trained them. If staff fails a customers, it could be that I have not done well in equipping and training her.” And as most training is done on the job, Lee feels it is important to set the culture for the newer staff to learn from the senior ones.

BE REAL

Despite questions from well-meaning friends and acquaintances on her exit strategy for the business due to competition and the general declining food and beverage retail sector in Singapore, Lee stays true to her resolve to love what she does, be herself and stand for what she believes in.

“Sometimes, I envy people who have plans for their businesses in the next five years with targets on the number of store openings, turnover and sell-out strategies. A year ago, I flipped through the business proposal that I submitted in school. I noticed that in my five years of business, there have been many changes and much has evolved from the plan as the fundamentals of the business remain.

“I have tweaked Sogurt to be home grown and an extension of my personality. Rather than being bounded by the rules found in a franchise model, the Sogurt brand evolves and changes with me.

For entrepreneurs, she has this to say: “Be yourself, original and true to who you are. I know this is not easy to do but do not feel the pressure to conform because you are living your life not to please others.”