How these female founders started their business during COVID



(From L to R); Rebecca Kwan and Lavender Chia. (PHOTO: MoguShop)

By: Arika Kim

SINGAPORE – Starting a business is tough, but doing so at the onset of a global pandemic is a whole other story. From having to pivot their marketing strategy just as the circuit breaker measures kicked in, to navigating the uncertainty of product availability and adjusting to the skyrocketing cost of supplies as travel restrictions were imposed, the founders of <u>MoguShop</u> fought tooth and nail to keep their dream of owning their business alive.

This is no mean feat, considering how Lavender Chia and Rebecca Kwan were fresh out of university, with minimal business acumen, when they started the business.

Still, the duo — who went to the Singapore Management University together — were so united in their goals and vision that they were determined to weather the onslaught of external difficulties brought about by the pandemic.

The young entrepreneurs recently shared more about their journey, what fans can expect of MoguShop and some advice for fellow entrepreneurs.

In your own words, tell us what MoguShop is.

Rebecca: MoguShop is a Japanese e-grocer. The reason we started it was because we wanted to share our love for Japanese food and make Japanese food affordable and accessible for others. The name of our shop also has a unique meaning. In Japanese, the term "mogu mogu" describes the sound you make when you enjoy delicious food, and in a way, we wanted to incorporate that into our brand.

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Why Japanese products, specifically? Was there any sort of research involved when it came to making this decision?

Lavender: We both love Japanese food — as with every Singaporean — and we crave Japanese food all the time. So, we would try making our own Japanese food at home, but every time we tried going to groceries stores to look for the right ingredients, that was when we would encounter our first pain point of not being able to find the right ingredients, and at some points, we were overwhelmed by the choices.

Rebecca: A lot of traditional supermarkets currently offer a wide range of products, and while it's a good thing, it can be overwhelming for people who might not be familiar with these products. For example, there could be 10 different types of soy sauce, mirin and even furikake flakes. Plus, we saw that the number of <u>Japanese restaurants in Asia grew 50%</u> in recent years.



So, what was the dish that basically sparked this whole business idea?

Lavender: Gyudon. I love gyudons, and we tried to look for tsuyu (a type of dashi-based soy sauce), and there were just too many on the shelves that we didn't know which to choose.

You both started the business in the early stages of the pandemic. Was there any fear in starting it?

Lavender: Of course, we had done the legwork in researching and looking for market opportunities.

Rebecca: But no one could have predicted COVID-19 would hit and the repercussions. We had to pivot our marketing plans really quickly. Initially, we wanted to do pop-up events and be close to the customers to explain and share more about the products. Ultimately, we pivoted to group buys, and when grocery stores like Fairprice and Redmart were overwhelmed with online orders, people began looking for alternatives. We were able to provide Japanese food in that way.

What were some of the challenges in starting the business during the pandemic?

Lavender: Supplies were affected in two ways: flow and prices. The cost of items from suppliers increased by 30-40% when COVID-19 first hit. We made the decision to continue selling items at the prices we've predetermined before the pandemic started because we did not want to upset customers.

As a result, we incurred losses along the way. A lot of the supply channels were also disrupted, and shipments took one to two months longer. Right now, we're facing issues with frozen air freight as countries are reserving them for vaccines.

Recently, we were quoted S\$2,000 to fly in a small packet of frozen food items.

How did you overcome those problems?

Rebecca: We ended up selling some items at discounted prices and doing Facebook live sales, and it was a great way for us to experiment with selling through this platform. Some of the Japanese products we had were seasonal items, and customers didn't seem to mind the shorter shelf life.

What are some things about being in the industry that you wish someone had told you before?

Lavender: The industry is very male-dominated and traditional — from warehouse workers to drivers. On a traditional front, we needed to understand how we communicated with our suppliers; for example, we had to learn to order through WhatsApp. As two young female founders, it was a steep learning curve, getting them to trust us and take us seriously.

Rebecca: We've encountered moments where suppliers and sometimes even customers, they're not as nice to us because they think we're salespeople, but they soften after they learn that we're founders of the company itself.



(From L to R): Rebecca Kwan and Lavender Chia. (PHOTO: MoguShop)

Looking back, is there anything you'd do differently?

Lavender: Learn to be patient and impatient at the same time.

Rebecca: We needed to learn to be patient with things that were happening and learn to adapt quickly when things didn't work out. We had to adapt very quickly — especially last year — when the pandemic hit.

What's it like owning a business as friends?

Rebecca: We've never actually worked together or taken a class together in school. But it's been an incredible journey because we both specialise in different sectors and have a lot of trust in each other. We don't really have a lot of disagreements, and even if we do, we talk it out, and I trust her enough to do what she thinks is best.

Lavender: I'd say we're both like twins — one's fat and the other is skinny! But I think we both have the same goals and vision in how we choose to manage the business, and we're aligned in that way.

Where do you see MoguShop in the future, and what are some things customers can expect?

Rebecca: Instead of being just a one-stop-shop for Japanese snacks, we also wanted to provide snacks from different small prefectures that are unique. Through this, we also wanted to give some exposure to the local manufacturers and suppliers. We reached out and partnered with the Japanese External Trade Organization to meet and work with different manufacturers from various prefectures.

What advice would you give young entrepreneurs looking to start their businesses?

Lavender: Work out what your priorities are in running the business. For example, we both agree that customer service and satisfaction are a priority for us, that are determining our actions moving forward.

Rebecca: I'd say to just try. Sometimes, things seem really daunting, but you just have to put yourself out there, and if you fail, that's OK. Learn to get up and move on.

Lastly, was there any advice given to you by fellow women entrepreneurs?

Rebecca and Lavender: The main advice is to try and don't doubt yourself. Many of them tell us to know our worth, have a lot of confidence, and never doubt ourselves.