

Catering to customers' demands

Rasel Catering goes to great lengths to ensure that everything, from the taste of the food to its presentation, is just right for the occasion

By VICTOR KATHEYAS

THE catering business isn't only about good food, says Chris Loh, creative director of Rasel Catering Singapore. If done properly, it is "an artisanal affair, just like a theatrical production", she explains.

"Everything, from the taste of the food to its presentation, must be just right," adds Alan Tan, Rasel's managing director.

Thus far, Rasel seems to have been getting it right consistently. In 2010, it was named "Promising Brand" at the Singapore Prestige Brand Award (SPBA). The following year, it was named an "Established Brand". It also achieved ISO certification in 2012.

In addition, the company's financial figures are healthy. The company's revenue for the 2012 financial year was about \$5.5 million, which represents a 20 per cent growth over the previous year. Mr Tan also said that Rasel has been profitable for the past five years.

Starting from scratch

Neither Mr Tan nor Ms Loh had intended to enter the catering business. In fact, the two business partners were colleagues who were working in the financial consultancy sector.

While having lunch at a Clementi hawker centre in 1997, they observed that many people were packing lunch for their colleagues back in the office. Some even bought 20 to 30 packets of food. Seeing this, Ms Loh told Mr Tan: "This is the business to enter."

Ms Loh wanted to leave financial services to be an entrepreneur. "I wanted ownership over my hard work," she says. "I did not want to continue building a financial empire for someone else."

Mr Tan, on his part, felt that he was young and had nothing to lose, beyond the initial capital injection into the business. If it proved successful, he could provide a better life for his family.

The fledgling business had to start from scratch. The duo resorted to cold calling potential customers.

In 1999, the business obtained Halal certification. This was a calculated decision, explains Mr Tan. Obtaining Halal certification allowed Rasel to enter the government sector, and serve as the caterer for government ministries and statutory boards. This, in turn, widened the customer base.

In 2001, Rasel secured its first factory. (It has since moved to a larger



A piece of cake: Today, Rasel is able to offer many types of cuisines for all sorts of events, including household parties, weddings and large-scale corporate functions. Mr Tan and Ms Loh (above) are confident that the company will continue to do well despite the tough competition. PHOTO: JOSEPH NAIR

factory in Pandan Loop.) Two years later, it was the official caterer at the National Day Parade. And in 2007, it catered for close to 6,000 people at the official opening of Republic Polytechnic.

Today, the company has the ability to cater many cuisines, says Mr Tan. It can also cater for all sorts of events, including household events, weddings and large-scale corporate functions. It charges anything from \$25 per pax to \$200 per pax, depending on the scale and requirements of the event. This type of pricing places it at the middle to high end of the market. But this is not "too high", stresses Mr Tan. "If you are too high, customers would rather use hotels."

Surviving the competition

The catering business is very competitive, so companies need to have an "edge" to stand out, explains Ms Loh.

In the case of large-scale events, the process typically begins with a call for tender or quotation. Subsequently, shortlisted caterers are asked to make a presentation. While this often entails giving a verbal presentation aided by Powerpoint slides, it sometimes involves preparing samples for a food tasting.

Thereafter, "things become almost like Survivor", quips Ms Loh, referring to the reality television series.

Just two caterers are chosen. The customer then decides between the two based on factors such as professionalism, the standard of service

and attention to detail.

This process can take about six months. Throughout this period, Rasel's strategy is simple. "We don't sell the customer what we have," explains Mr Tan. "Instead, we sell what the customer wants."

To this end, the company spends months finding out the customer's exact requirements, doing research on the event's theme, and even coming up with new dishes that suit the occasion. For example, when the company was engaged to cater for the opening of the Terracotta Exhibition at the Asian Civilizations Museum, it did its own research about Emperor Qin and Imperial China. Based on this research, it selected musical instruments, lanterns and other items to be

placed near or on the buffet counter.

The aim was to complement the theme of the event, and create an authentic atmosphere. Even the choice of flowers on the buffet counter was influenced by research into the preferences that prevailed in Imperial China.

Similarly, when the company was

asked to cater for a New Zealand-themed event, it did research on the types of food that were popular in that country. It then featured items such as lamb and Pavlova on the menu.

"It is this process of conceptualising an event, rather than our price, that sets us apart," says Ms Loh.

The way forward

Going forward, Mr Tan acknowledges that the company has to surmount a number of challenges.

First, the prices of food materials such as rice and oil have been increasing.

Second, and perhaps more serious, is the rising cost of labour in Singapore. While Mr Tan understands the reason for the government's move to tighten the supply of foreign labour, he laments that the business environment has become tough.

"Automation and increases in productivity can only work so far. My delivery and set-up team, for example, cannot be automated, unlike kitchen processes. I guess we are a victim of circumstances," he says.

Nevertheless, the company has leveraged on government schemes and grants, such as those by Spring Singapore, to mitigate any hardship that it might encounter.

Despite the challenges, Mr Tan is confident that the company will continue to do well because it has a number of key strengths.

Firstly, Rasel's commitment to conceptualising an event – instead of merely providing food – sets it apart.

Secondly, the company adopts fair human resource practices, and aims to have inclusive growth by sharing the benefits of its success with staff through bonuses.

Thirdly, the company strongly believes in reinvesting profits. Therefore, a significant portion of the company's income is used to invest in machinery, train staff and even expand factory space. This, in turn, allows the company to cater for more events and grow even further.

HAVE an interesting story on an SME to share? Drop us a note on why you think the company should be featured in our weekly SME Inc pages, with details such as how the company has grown and its expansion plans. Send your e-mail to Felda Chay at feldac@sph.com.sg with the subject head: "Feature this SME"; and you might read about the company in BT.