

LOUKEN GROUP

Helping clients to embark on their overseas and digital journeys

From being led, Louken now does the leading. It can take clients all the way from brand development to digital implementation, and is also grooming and incubating startups.

In Louken Group's early years, its clients pushed the firm to go abroad and acquire new capabilities. Today, the branding and communication company leads clients overseas and on digital journeys of their own.

When the firm was set up in 2001, it was ahead of the curve in its own way, says chief executive officer Luke Lim.

At the time, Singapore was significantly behind the West in the area of brand management, he recalls.

"There were a lot of advertising and communications firms here, but not so many specialising in brand management and IP (intellectual property)."

Mr Lim thus sought to enter that niche by founding brand agency A S Louken, which is now one of Louken Group's subsidiaries.

Around 2003, Louken began taking its first steps abroad – thanks to its clients.

"We started to regionalise because our clients were regionalising," Mr Lim sums up.

When travelling with some of these clients on their forays abroad, Louken began to build competencies and knowledge in areas such as bringing a brand overseas, and cultural differences across markets.

This in turn became a selling point for clients who had yet to embark on such journeys, and remains so today, says Mr Lim.

"When we serve our clients in Singapore, we are able to tell them that we can bring them abroad."

As it gained experience abroad, Louken began to serve clients from other countries in the region as well, including China, Indonesia, Malaysia, Myan-

mar, the Philippines, Vietnam and Thailand.

Its international links have since spread even further abroad. Around 2008, Louken joined the Ebeltoft Group, an international alliance of consulting firms from regions such as Europe and North America.

The alliance gives Louken insights into the global market, and also provides opportunities to tap global clients, says Mr Lim: "Sometimes we pitch for programmes together, for global accounts."

Louken's clients prompted it to expand not just geographically, but in its service offerings.

As its clients grew, they also required more services, going beyond branding projects to explore the digital space – for instance, going into e-commerce.

"So we had to learn quickly in order for us to be ahead of our clients," says Mr Lim.

At the start, getting into digital innovation was "very, very difficult", he adds: "We had to build the competency from scratch."

Louken built up capabilities in search engine optimisation and building websites. Yet the problem, says Mr Lim, was that they were not ahead of the curve: "We were not experts."

So around 2014, the firm decided that it should acquire the skills by acquiring firms.

Or as Mr Lim puts it: "If we can't learn fast enough, then we have to bring in external help."

SHORT CUT

Mergers and acquisitions were a way to cut short the learning process and "acquire knowledge straightaway". Louken Group thus acquired Giraffe Consulting Asia, which has expertise in events and social media, and digital marketing consultancy Clickr Media.

With this, Louken can take clients all the way from brand development to digital implementation.

The group's initial headcount of 30 to 40 people doubled as a result of the acquisitions, and it had to deal with this sudden growth.

"As we bring in a lot more agencies, the dynamics have evolved," says Mr Lim.

But the founders of the acquired agencies are still around, and the separate teams have maintained their individual group cultures, he adds.

It also helps that Louken's different teams are not territorial. While the brand management and digital teams operate separately, the digital agency is not barred from providing brand management services to its clients.

There is also cross-training across the group, with the digital team training the traditional consultants, and vice versa.

Louken has gone digital not just in its service offerings, but in its internal processes – although this change took a while to happen.

As service providers, Louken Group's various units



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were "busy with the client side", so backend efficiency was not a priority for them, observes Mr Lim.

But as group CEO, he decided "to push them". In 2010, the group finally adopted a full enterprise resource planning system.

What made it easier was that the staff are generally young, he adds: "Embracing change is not scary to them."

From a small firm following its clients' lead, Louken is now confidently setting its own pace. In 2016, it was named one of the winners of the Enterprise 50 awards.

Organised by *The Business Times* and KPMG, the annual awards honour Singapore's 50 most enterprising privately-held local companies.

From being led, Louken now does the leading. Its IP-related work, for instance, is very much about helping firms internationalise: from licensing and franchising, to even searching for overseas partners for their clients.

Quips Mr Lim: "Part of our job is also that we sometimes do a bit of matchmaking."

Indeed, one of the firm's key focus areas in the coming years will be helping clients – from Singapore as well as from the broader region – to enter the vast China market.

With digital evolution happening faster in Asia than anywhere else, Louken will use various digital platforms, from social media to e-commerce, to help clients penetrate China, says Mr Lim.

Louken's client base is split fairly evenly between multinational brands and small and medium enterprises. For the multinational brands, which are mainly in the fast-moving consumer goods space, Louken provides services such as digital and social media activation, and events.

For the SMEs, Louken's involvement goes deeper: from brand strategy, to helping brands go abroad, to rejuvenating or repositioning existing brands. Some of these local clients, for instance, are family businesses transitioning to the second generation.



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When helping firms go online, the idea is to integrate brick-and-mortar operations with e-commerce operations, instead of having silos.

But such leaps can be challenging for traditional firms, notes Mr Lim.

The main reason that their clients have not gone digital before, he says, is simply a lack of knowledge.

"They don't know how, they don't have the staff." On occasions, Louken has even linked its clients up with human resource agencies so that they can get the required human capital for their digital transformation.

DIGITAL ROADMAPS

One way to ease the transition is to have a clear plan in place, adds Mr Lim: "Clients always fear a lack of clarity. So when you give them clarity, they'll be a lot bolder."

Louken thus helps clients in drawing up digital roadmaps – an approach that has proven popular.

In one recent digital roadmap programme, invitations were sent to some 50 clients. Forty-eight responded, wanting to sign up for the mere 12 slots available.

Apart from helping established firms change, Louken is also grooming and incubating startups.

"We believe in grooming enterprises and high potential startups that can benefit the business community," says Mr Lim.

Certain startups which may be relevant to clients' needs – such as start-ups which specialise in loyalty programmes or customer relationship management systems – have occasionally been brought in to work with their client base.

And Louken is not averse to acquiring promising startups if the opportunity arises. Mr Lim says the firm is "exploring that possibility".

In July, Louken is formalising its involvement in the startup scene, by establishing a corporate incubator for technology startups in the branding and marketing space.

By tapping the group's network of clients, startups can trial their products and services, and gain a quick foothold in the market.

Those which succeed in Singapore can then tap the Ebeltoft network and Louken's overseas partner offices to venture abroad.

The new incubator will be supported by Enterprise Singapore, under the Startup SG Accelerator scheme.

Over the years, Enterprise Singapore – or the predecessors from which it was formed, International Enterprise Singapore and Spring Singapore – has been very helpful in assisting Louken to build internal capability and go overseas, says Mr Lim.

It is perhaps fitting that this time, Enterprise Singapore is supporting Louken to help a new generation of firms embark on journeys instead.



From consistency to dynamism

ESTABLISHING a brand was a very different task in 2011, when Noah Lee joined Louken Group's brand agency A S Louken.

"Branding then was a lot more rigid," Mr Lee, now 33, recalls.

It was mainly about consistency, he explains – an approach suited for slower-moving times. "The evolution of a brand was not as fast."

And that was because "the digital component wasn't that crucial then," he adds.

Mr Lee started out as an assistant manager, helping to run branding projects and customer-centric initiatives. Now, as a brand director, he only does work in branding. Yet in another sense, his job has expanded.

The rising importance of the digital space has led to new demands, he notes. One aspect of this is the proliferation of varied social media platforms, and the fast-moving nature of digital branding.

"You cannot just have a specific look and say, 'Hey, that's my brand,'" says Mr Lee.

Instead of the simple consistency that was prized in the past, the challenge today is to build a

brand that can present itself differently, as context requires, he adds.

For instance, graphics have to be more visually dynamic, and brand managers must think about the different use of graphics across different social media platforms.

Harder skills are also required today. Mr Lee has had to incorporate digital research into his work, and has picked up some tech basics when collaborating with Louken's digital team.

For instance, he has had to learn about Google Analytics and search engine marketing (SEM) – not just flinging around buzzwords, but getting into "how it really works".

"This is so that in planning the brand strategy, we have this at the back of our minds," he says.

From SEM and SEO (search engine optimisation) to UX (user experience) and UI (user interface), he is armed with the knowledge of an arsenal of acronyms.

This is also important so that, when working with the digital team or the client's technology division, "we are all able to speak the same language," he adds. Branding, after all, has to be about communication.

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