

THE coffee-drinking culture is growing fast in Malaysia. With more food and beverage players striving to provide beverages of better quality, coffee lovers are spoilt for choice. The recent opening of Jamaica Blue, an Australian café franchise, is proof that the Malaysian market has room for more serious coffee beverage choices.

In the past one-and-a-half years, cafés have sprouted in almost every part of the Klang Valley before expanding their presence to other cities including Penang, Ipoh and Malacca. Jamaica Blue is appearing just at the right time, when fellow industry players are securing their niches.

Will Jamaica Blue be able to grow its brand in the Malaysian market alongside a culture that is rich with its local flavours? Managing director of Foodco Group Pty Ltd, Australia, Serge Infanti was recently in Kuala Lumpur to share his experiences in the food and beverage industry and why he decided to venture into Malaysia.

Although it was originally a Canadian idea, Infanti says Australians adopted Jamaica Blue and gave it a twist when they saw how it could work Down Under. "Its original setup was at a parking lot, but that idea would not have appealed to the Australian market. We took it in and gave it more of a sidewalk café kind of outlook and today, we have more than just one concept," he says.

In Malaysia, the first Jamaica Blue outlet takes on a kiosk format. Located at the South Wing, first floor of Mid Valley Megamall in Kuala Lumpur, the idea behind this setup is to reach out to a wide consumer base, says HCK Capital executive director Clifford Hii.

Jamaica Blue Malaysia, is Foodco Pty Ltd's master franchise for Malaysia. Brought into Malaysia by HCK Food Sdn Bhd, a subsidiary of HCK Capital Group Berhad, Jamaica Blue will be an addition to the food and beverage family under the group.

The HCK Capital Group Berhad is a public listed company that has involved in various sectors including media, education, technology, food and beverage, property development, hospitality services and investments.

"Because Jamaica Blue is fairly new in Malaysia, we chose Mid Valley to enable us to draw different kinds of demographics. By doing this, we will be able to determine where the next best destination would be. We already have a few locations in mind," Hii adds.

#### An Asian experience

Venturing into Asia was not easy, Infanti says, as they had to understand the wide diversity of cultures and the way of life in various countries. That did not stop Infanti, and he made this his challenge. In fact, to be able to penetrate the Asian market would be an achievement he deems worthy of his career, which he has built in the last 20 years.

"Asia is a challenging market, but I am determined to secure the coffee market," Infanti says.

He says since each country and city has its uniqueness and culture differences, no one model would work without conducting studies to find the best business fit. "For example, in China, if we were going to just plant Jamaica Blue stores without understanding which areas would draw the right

## Take a sip of goodness

Jamaica Blue may have made an appearance right on time when fellow F&B players in the industry are securing their places in the Malaysia market. It hopes to change the existing mindset of the Americanised coffee culture here and redirect consumers to appreciate the vast reaches of coffee



BY SOO WERN JUN



PHOTOS BY SHARIL AMIN



Besides serving freshly-brewed coffee, Jamaica Blue also offers bring-back coffee beans



Jamaica Blue's food menu changes every three months according to the season



The café kiosk offers a range of food that complements its coffee

crowds, it would not gain the traffic we want," he says.

#### Positive diversions

The initial set-up of Jamaica Blue, however, did not include food on its menu, and it served seven different kinds of coffee. "We realised that offering only coffee didn't quite move the brand," says Infanti. "With our price point, we had to be realistic by accepting that people would not spend just on a cup of coffee when there were other cafés that served food.

"So we came up with a food menu. Quality food that we can offer our customers, a quick bite that complements the coffee served."

Jamaica Blue's food menu changes every three months according to the seasons.

"Thankfully, Malaysia has a good network of food ingredients which are sourced overseas that enables food preparation without hassle," Infanti says, referring to China as a more challenging market to source ingredients. It had even created its own bakery due to difficulties in sourcing for suitable types of bread.

Some of the food items on its current menu include Eggs Benedict with turkey ham/smoked salmon, Jamaica Blue Big Breakfast, Mini Breakfast Frittata, Tuna and Lemon Cakes, as well as blueberry scones and rock cakes for those with a sweet tooth.

Besides serving freshly-brewed coffee, Jamaica Blue also offers bring-back coffee beans which include Jamaica Blue Signature Blend and Wallenford Estate Jamaica Blue Mountain coffee.

#### Maintaining standards

Training has been an integral part of Jamaica Blue's business for many years. "It has developed a lot over the last few years. I think the biggest change in franchising I have seen has been the change in franchise business owners. In the early days, a large number of



franchisees were very entrepreneurial, and many came from other small business or corporate management jobs. Today, there are many more franchisees from diverse backgrounds and of varying skill levels and education," Infanti says.

According to him, the need to train is extremely important and more so today than ever before. "The challenge is to keep people that we train, which is still tough. People move around and we cannot stop them from doing so. But we keep training, and we never give up," he says.

Given that it is a difficult, competitive environment out there, and the need to maintain the customer's standards and the brand reputation, Infanti says all franchisees must attend a training programme for two weeks at the Foodco Training facility.

"This programme includes classroom-type education, business skills, employee management, accounting and marketing, amongst other things. It also covers basic retail skills, cooking and baking, as well as understanding and making a great cup of coffee," he adds.

**"We had become too similar to cafés several years ago. You have to evolve. One of my main goals now is to keep our brand relevant."**

**Staying relevant**

In a market space that is filled with fierce competitors, the challenge to survive and stay relevant is real. "It is an ever-changing environment and we need to move along with our customers," he says.

"We had become too similar to cafés, too close to the mainstream several years ago. You have to evolve. One of my main goals now is to keep our brand relevant," Infanti said.

**Expansion plans**

The Foodco group continues to drive growth in the domestic market strongly

in its traditional areas of grade A shopping malls but are also having a great deal of success in smaller centres and high street locations.

"Our reputation, based on a history of success, and our strong relationship with landlords and excellent demand from potential franchisees will ensure that we can continue to grow in both the Australian and New Zealand markets.

"It is very important to locate good partners in each country. We need them to work hand in hand with us as no one understands the local market more than the locals themselves. The initial setup problems such as staffing, identifying a location and café concepts all need the local partner to be hands-on in order to successfully open a café," Infanti says.

Foodco's international expansion continues to thread on exciting paths; it has over 40 stores in the UK with the Muffin Break chain and is one of the top café chains in China with Jamaica Blue. "We have also ventured into Singapore with both Jamaica Blue and Muffin Break," he adds.

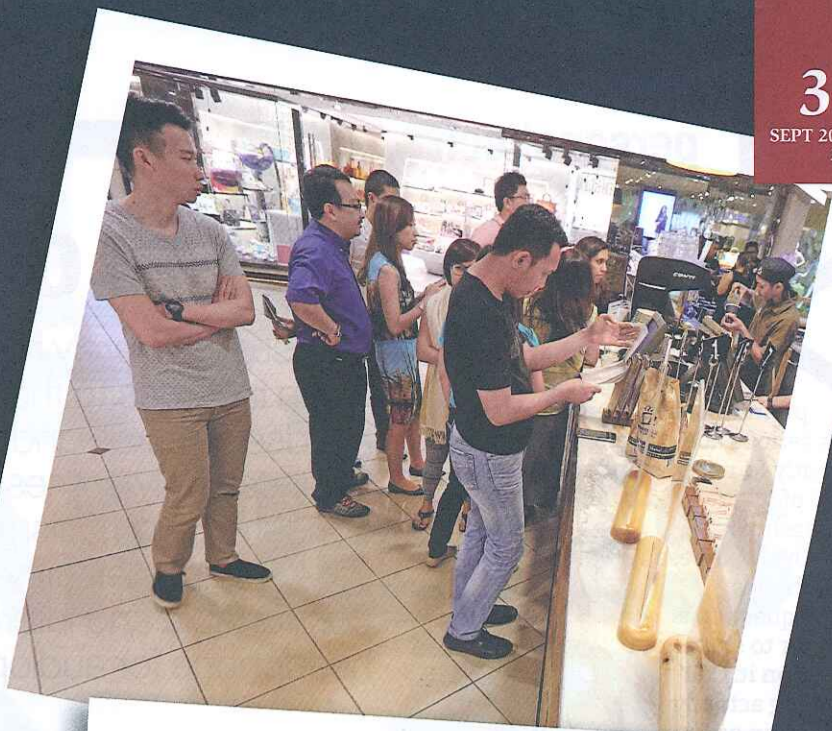
Opportunities do not stop there as the Southeast Asia market is an endless exploration. "What keeps us afloat is the growing appreciation of Western food and coffee in that market. That is an incentive for us because we don't have to work too hard to gain acceptance into the market. But it doesn't mean that

we neglect the quality of our food and beverage," Infanti says.

Foodco would be concentrating in Asia as it has an independent coffee market. "We haven't turned our back on the US market either. That's still out there for us but it is a matter of focus and when we commit to an expansion in a territory we do so with a view of success. It isn't the amount of outlets we aim

to open but the presence of good coffee is what we want in each region we enter," he says.

With Jamaica Blue's opening in Malaysia, he hopes to change the existing mindset of Americanised coffee culture and redirect customers to appreciate the vast reaches of coffee. Heat



(From left) HCK Capital executive director Clifford Hii, Jamaica Blue Singapore director Hermanto Karjadi and Foodco Group Pty Ltd managing director Serge Infanti