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Little Moons - The unusual business of bite-sized ice cream

With Claudia Winkleman and Howard and Vivien Wong

CLAUDIA: Hello, it's Claudia Winkleman here. Welcome to Business Unusual, the podcast that's all about how to build a successful challenger brand, in association with Vodafone Business. And today, I am diving into the freezer aisle to hear all about how you launch bite-sized delicious ice cream balls to the masses.

Vivien and Howard Wong are brother and sister, and the brains behind the company Little Moons. Little Moons launched in 2010 and their mochi ice cream are stocked across UK supermarkets, so you might have seen them in the freezer section. Howard, Vivien, I'm so pleased that you're joining me. Thank you so much. And huge congratulations.

VIVIEN: Thank you so much.

HOWARD: It's good to be here.

CLAUDIA:

I ordered them like in prep, and they're the most delicious things! They're like little bites of, you know, unicorn! I mean not actual unicorn...but they're completely out of this world. Is that what you set out to do?

VIVIEN:

Yeah, I think we wanted to do something... we knew that mochi was different and that it was delicious. But it was also unknown in the UK. The texture is chewy and what it's famous for in Japan is for the texture. And when we tried it in the States and in Japan, we just thought it was 'Wow!' And we thought we really wanted to bring it to the UK because our parents had a bakery that makes the traditional mochi as it was. So we're really familiar with the product, but we've never, we've never had it with ice cream before and together, I think it's something quite special.

CLAUDIA: It really is. We should explain if anybody listening is going, “What is Claudia wanging on about?” Can you...can you explain what mochi is for anyone who hasn't tried it or seen it?

VIVIEN: So mochi is a soft sweet dough and it's made from rice flour, so it's naturally gluten free. And it just has a slightly chewy texture. And so we put a very thin layer of this around sort of Italian gelato ice cream, and they're just little bite-sized balls like you said and you can pick and mix the different flavours that we have. And so you can just have a different bite of different flavours and it's a very playful, nice way to eat ice cream or to end a meal.

CLAUDIA: Absolutely. And the traditional one that your parents made, that has like a red bean paste is that correct?

VIVIEN: Exactly. And so I think the mochi texture is a little bit thicker, and you fill it with red bean, which I absolutely love. But I think it can be quite unusual for some people because it's...have you tried it before?

CLAUDIA: I haven't. But I'm excited. I'm going to.

VIVIEN: Yeah, it always...

CLAUDIA:

I've had the ice cream version and now I need this in every form. I don't mind if one's filled with brick. I'm going for it! Tell me a bit about how you started Howard. Did you always want to do this? I know you both got degrees in economics and you went into the city, I believe. How did you find your way to small balls of ice cream?

HOWARD:

So, that's an interesting question. As you know, like Viv I grew up around food with our parents running a bakery, so we've always been really passionate about it. But when I was younger I didn't really see myself going into the family business or anything. But while I was working in the city, I realised that like, it didn't allow that much scope for creativity. And I think Viv and I, both were quite entrepreneurial and we wanted to create something that was our own. And then, you know, when we tried the ice cream version of mochi, it literally blew our socks off. And we had such huge confidence in the product. At the time it was, I think around 2010, there was just a massive explosion of Japanese food in London, but no one had really tried the dessert side of Japanese cuisine. So we thought there was like a real opportunity. And yeah, and we decided, actually, life's too

short not to sort of take some risks and sort of naively took the plunge into mochi ice cream.

CLAUDIA:

And A. Were you scared? and B. Can you just talk me through your parents' reaction? So you just graduated from Cambridge, you were in the City, you were like "I am on my way!" And then you went "guys, I'm giving it all up. And me and my sister are..." and you also Vivien were so successful "we're going to do this!" Did everyone go... "Can we take your temperature? Can you have a lie down please?"

HOWARD:

Actually, it wasn't as shocking as you might think, actually, because I think my mother had seen how hard I was working in the city. And she started to question like, "is this something that you want to do?" And, you know, having run a business herself, I could see how much freedom it gave her, you know, in terms of controlling her own life, and also how much joy she got from running it. I think she was supportive of it.

VIVIEN:

Yeah, Claudia you'll probably understand this. My mum's like, when I was growing up, my mom really wanted me to go work at you know, a profession. But when she was doing it in 70s it was really hard for her to bring up kids as well as sort of having a full-time job. And so when she started her bakery, she found that it allowed her to drop the kids off at school, come home and work, make sure to pick us up, cook us dinner, and then she could continue working in the evening. And I think, you know, through the 80s it was really hard to do that because it wasn't at the forefront of everyone's mind because I think now we're quite lucky - well we've still got a way to go - about women working full time and juggling childcare. And so when I said that I wanted to, you know, to leave, she'd also seen the hours and the inflexibility back then in the city and so she was quite encouraging of me and then Howard as well for different reasons. So no, she, she definitely supported us both. My mom and dad are quite happy for us. But they did say it's really hard work to get this going and you know, you're working long hours in the city. You are going to work even longer hours and you never switch off when you're running your own business. So I think there are definitely pros and cons to it.

CLAUDIA

Absolutely. I read a brilliant description. I think it was Sunday at 4am? And you were both just labelling boxes, looking at each other going "-?!"

VIVIEN:

Yeah, I was on that ice-cold concrete floor of our warehouse. Just labelling just, you know, labelling boxes upon the boxes and just packing it because... we felt bad bringing people in and we didn't necessarily... we couldn't afford it. So, you know, we've got so many of those stories where it's just the two of us are slogging away in the most unglamorous way. But now it's really worth it. Like we do look back now. And we sit in our office and we just think how lucky we are. Because it's been a long slog.

CLAUDIA:

I have to ask you about the name. Because it's a perfect name, isn't it? Did you guys come up with it?

VIVIEN:

We went to an agency actually very early on, just to do the name because we weren't... when I say early on, I guess it was four years into our journey that we thought we should start thinking about branding it. And I think it was when Whole Foods asked us if we could launch a retail range for them. We'd been making it for restaurants before, so we went to an agency to brand it and they came up with lots of different names, but Little Moons was the one that really stuck out because we thought it was really cute. And it was very meaningful on lots of different levels if you know about mochi, so that's why we went with the name.

CLAUDIA:

What's it like working with your sibling? Vivien, you go first, just pretend that Howard isn't listening, because difficult conversations have to happen in business. Right? And I just... what's it like?

VIVIEN:

We have had our moments and it is difficult. You're right. There are some difficult conversations to have, but who better to have difficult conversations with than with your brother because we will never, we'll never fall out, that will always be family. And I think with friends, you could stop being friends, but we will never stop being family. And so we've, we've actually found a way to work really well together because we have complete polar opposite personalities. And I think it's taken some time to learn about that and appreciate that. But it's, it's just meant that sort of more analytical side of the business is covered off by Howard. And I guess the more sort of touchy-feely side is covered off by me and together, we've really navigated it well. So, but you know, at the very, very beginning, because we started on our, on our own, we didn't have any outside investment, and Howard moved in with me. And so we were living together,

we're working together. And so it's just it was, you know, there were some tense moments but definitely worth it.

CLAUDIA:

Howard, how do you find it?

HOWARD:

Yes, like Viv went first so now I can tell the real story! No, I'd actually just say exactly the same thing. So it's been a 10 year journey so far, and there were some pretty hairy moments when we were living together, working together, and kind of... we hired behind the curve so we were kind of trying to do everything ourselves and since we sort of both split responsibility we didn't have a hierarchy when there was a disagreement, there was no real way to resolve it. But nowadays, like we really have learned to play to each other's strengths. And I think you know what led to loads of arguments in the past, I now realise it's actually really beneficial for the company because we see things in different ways. And that allows us to sort of filter that into like, the best course of action.

CLAUDIA:

That's fantastic. Let us talk numbers, how many mochi do you make and sell?

HOWARD:

So we were calculating this the other day, and we couldn't believe that number ourselves. But you know, we're producing about 25 million mochi a year.

CLAUDIA:

Stop it!

HOWARD:

It's something like almost like one eaten every second, which is crazy when you think about it.

CLAUDIA:

And do you sometimes have to pinch yourself thinking it wasn't that long ago that you two were, as you say, on the concrete floor labelling boxes or having this idea And now you're making 25 million unicorn balls - I'm joking - Little Moons every single year. Can you believe that?

VIVIEN:

Genuinely, I wake up every morning and I feel so lucky because we have such a great team with us now. You know, a couple of years ago, it was just the two of us. And I think

maybe two years ago, we hired sort of a professional team to help us. So now we have a head of sales, a head of marketing, someone here who knows how to run our factory for us properly. And we all work so well together, particularly during this lockdown it's... you know, we've all pulled together. It's just been great. Like, like I said, I can't believe the business that we have now.

CLAUDIA:

Would you say that you're both quite tech savvy? And what does technology add to the business? How important is it, if you like?

HOWARD:

I used to think I was really tech savvy. And then when Snapchat came out, and I just couldn't understand the point and it turned out to be like, absolutely incredible. I realised I was past it. Yeah. In terms of technology, yeah, it's been really fundamental for the business because things like social media have been really amazing to allow people to discover us. But more importantly, it's also great for us to sort of engage with our consumers and really like talk to them, find out what flavours they're liking, what they're thinking about. We just get comments every day through Instagram and Facebook, about our products and giving us feedback all the time, which is brilliant. I think it's really important to us.

CLAUDIA:

I imagine that's incredibly useful because you might want to launch a flavour... and we should mention some of the flavours, by the way, because I know people who are listening, it's because they're interested in business, but if they suddenly get bit peckish later, I'd really like them to know about hazelnut and lemon and coconut and all of these wonderful things. So you'd say social media and staying connected like that is very important for your business?

HOWARD:

Yeah, absolutely. You know, we run competitions to get ideas for the next flavour. We announced Special Edition flavours which we launched at places like Selfridges on Instagram. But yeah, it's been really good.

CLAUDIA:

Let's talk about how you have worked and are working during COVID-19. How's it affected the business?

VIVIEN:

We made the decision quite early on to shut our factory just for the safety. I think there were so many unknowns when this all happened. So, everyone from the factory was sent home. And then our senior leadership team, we all continued working from home. And we just started using Zoom a lot like, I think like everyone else. And at first, it was a bit unusual. But I think, you know, I mentioned before, I've been so impressed with how well we've all worked from home and I think it really is going to change the landscape of the working environment going forward. But I think you've just had to be quite creative just thinking of people's needs and, and what the living situations are. Like some people are living alone, so we just try and check in more with them. We have a Friday quiz for everyone who's on furlough, you know, so we'll do a pub quiz, where everyone dials in. We've got drinks 5pm on a Friday and it's so much fun, and it's just been, it's just been great I think. But I think it has required just extra thinking and consideration of other people's needs.

CLAUDIA:

Absolutely. And Howard, what have the last hundred days looked like for Little Moons? And if you had a crystal ball, the next hundred, what would they look like?

HOWARD:

I think the last hundred days, were just a massive roller coaster, to be honest. So the first few days were really about kind of assessing the situation every day trying to get as much information as you can. And then making pretty huge decisions.

VIVIEN:

I guess we went straight into sort of cash preservation mode, and we just re-budgeted for the rest of the year and just decided how many months later what would happen if we had, say three months of no income, what would happen with the business? And then as we slowly had more information from the government that you know, furlough payments were going to come, that there were going to be loans available for the business. We then re-budgeted to see what we could afford. And so every day there was new news coming. I remember we were just hanging on the word of the government and what they were going to do to support us and our finance team and operations team, we just all got together and just, you know, did a cash flow plan, basically, like almost a daily one. And then I guess we just we also, you know, we were considering the needs of our team and we have got everyone in the whole company like 100 Headspace memberships and made sure that we started doing a newsletter so that everyone who was on furlough felt connected, because we have about 70 people that work in the factory.

And so I guess it was just trying to think of lots of different things to do.

HOWARD:

I think we used the period as well, like a lot of other businesses to reflect on what we were doing, what direction we were going in, and, you know, really think about kind of our strategy, and how we're going to come out of the crisis, which I think was actually quite a useful period to have, which is, it doesn't, you know, often happen for businesses - the space to really think and pause and breathe.

CLAUDIA:

Yeah, absolutely. And you mentioned staying together because I was going to ask you about how I mean, connectivity is so important in this time, whether as you say like it's a newsletter, or calling people...

HOWARD:

I think connectivity has been so crucial over this period. And technology has just really facilitated it to happen, actually quite easily these days. I mean, there's so many different tools to use, we actually think it's really doable. I mean, obviously, we miss some of the interactions you have in the office and some of the conversations by the coffee machine. But ultimately, I think technology has, you know, made this crisis a lot easier to deal with.

CLAUDIA:

We'll get back to Howard and Vivien in just a moment. But first, I'd like to tell you about a really simple way that you can make a difference in the fight against COVID-19. Let me tell you about Dream Lab. Dream Lab is an award-winning app developed by the Vodafone Foundation. It harnesses the power of a connected UK by enabling everyday smartphones to analyse complex scientific data. Originally developed to assist Imperial College London with their research into cancer. Dream Lab is now also playing a really important role in Imperial's research into COVID-19 too. The Dream Lab app creates what you could call a 'virtual supercomputer' by harnessing the spare power of smartphones while they're not being used. As you sleep, your phone can join hundreds of thousands of other users to analyse loads of data and speed up the time it takes to conduct vital medical research. Pretty cool, right? You can find Dream Lab on the App Store for iOS or on Google Play. And you don't even need to be a Vodafone customer to use Dream Lab. The app is for everyone with a smartphone. More information and the privacy policy and FAQs can be found at vodafone.com/dreamlab. Keep connecting with Vodafone.

So, Howard and Vivien, we've talked about success. Let's talk about the other side of things. What are some of the biggest challenges you've faced? Were there moments where you went "I don't think this is gonna work."

HOWARD:

I think running a business you get challenges on a week to week basis, like real challenges. And there's always, always a lot of problem solving involved. Looking through the years, there have been so many occasions where I feel like it's almost like a life or death situation or crisis, you know, a machine breaking down just before a massive order, so on and so forth. But on reflection, like, I genuinely think that the most important challenge we face is sort of the relationship we've had with each other as brother and sister. So when we were living together and working together and really highly stressed and beginning to sort of have challenges in our relationship, I think that was like the biggest challenge that we faced for the business.

CLAUDIA:

Is it true you both - I might have read this and then just please shout at me if I got it wrong - did you both do a personality test?

VIVIEN

We did actually! We did a personality test, which is a coloured one. And that's where we discovered that Howard was like, red-blue and I was green-yellow. So absolute opposite and...

CLAUDIA:

Wait, what does that mean?

VIVIEN:

He's just very analytical and he's very mathematical and he likes to think about things a lot. And I like to think about things a lot as well, but in a very different way. And so I need time to go away and mull things over and then come back and discuss the decision. Whereas I think Howard, just like he can really interrogate a question 24 hours a day, and will not stop.

HOWARD:

You're making me sound so fun Viv.

CLAUDIA:

Yeah, I know who I'm having a drink with. I'm joking, you sound fine Howard.

VIVIEN:

But I would definitely encourage, if you're building a team, to make sure that you do hire a team where everyone is bringing something different to the table. Because you don't want to be working with people that agree with you all the time and you think the same way because, you know, your consumer is going to be so different. So you just need lots of different people on your team. We have that on our team. And I think we work brilliantly together and everyone recognises each other's strengths. So um, yeah, I think building a team was a challenge for us because it's people and people management is always tricky. And you have to think about it every day. So, take care of your team.

CLAUDIA:

It's so interesting, because in the last episode - if you want to listen to that, I'm just talking to the listeners - I spoke to Freddie from Patch Plants. And he said, whenever he's hired somebody slightly against his, his gut instinct, you know, when you've just sort of 'gone'. He says the whole thing is about people. And when he's gone a bit off... does that make any sense? What I'm saying... it's never worked.

VIVIEN:

Yeah, you have to go with your gut I feel. I think the more experienced I get with hiring, the more I believe in that instinct when you meet someone if they're right, or if they're not, right, because you just know the nuances of your business. Absolutely. I agree with Freddie, it's true.

CLAUDIA:

And Howard, was there a moment where you thought "We've done it! We've absolutely done it!" Maybe bought something you'd always dreamed of buying, or Ocado or Selfridges, or Harvey Nichols or all these wonderful places that you... was there a moment?

HOWARD:

I would say that actually we're quite forward-looking people. So we, no, we often just like thinking about, you know what's next. And we've actually noticed that we never really pause to think about our successes, and celebrate them, which is something that we actually need to fix. But I would say that now we have built up a fantastic, incredible team, we have a pretty good work life balance, and we're just enjoying working so much. Like I genuinely wake up every day, looking forward to work, I don't get Sunday night blues anymore, like I did, you know, working for someone else. And that's an incredible feeling. And also, we feel like really lucky to have achieved that. So, in that sense, we've achieved success in our lifestyles, but I think as we get more success in the business, our objectives are changing, and we're sort of looking at how the business

can impact our community and the world in a better way, which is the new challenge and this is a really exciting thing to be doing. There's still lots to do.

CLAUDIA:

And you do lots of collaborations with other foodie brands on your Instagram. And it seems like a lovely industry to be part of. Do you feel that? The world of food and restaurants and people bolstering each other up?

HOWARD:

For sure. I feel like from the moment we started working in industry, we've noticed just how friendly other brands are, how supportive they are. It is a really close-knit community and people are generally really willing to lend their time and advice. Yeah, Viv, and I like supporting other brands too, we do talks at places like the Bread & Jam festival. Yeah, it's been a really collaborative effort. And we really see the importance of collaborating with other brands and even review, you know, our relationship with our suppliers or sort of collaborations. Yeah. Which is really important. You know, you need to be honest with them. You need to tell them what you need. Yeah. It's been really important.

CLAUDIA:

Vivien. What does the... I don't mean immediate future because it's too difficult to say... but what does the future hold for Little Moons? If you look really ahead, where are you going?

VIVIEN:

We are really enjoying this journey. So I think we're just going to continue opening up pop-ups so we can meet our customers. We're going to open more pop-ups in Europe because they've done really well in London. We have one in Bond Street. We have one at Selfridges. We had one in Westfield. So we're going to do that internationally. We actually have a pop-up in France in Westfield, which is now closed, but when everything opens up again, it will be there. And we'll be opening up one in Manchester. So we're just sort of spreading slowly and hopefully in a controlled way. Yes, we're getting more and more listings across Europe. So that's exciting. And our newest initiative is the direct-to-consumer channel which we'll be doing just because so many people want so many of our flavours - we have 14 different flavours - and it just gives us the flexibility to supply that to everyone across the country because you know, Tesco's shelf space is limited. We have two flavours there. And we just think direct to consumer just allows us to, to give our consumers what they're looking for what they want.

CLAUDIA:

That's magnificent! So people can order direct from your - I've been all over your website, it's beautiful - people can go on there and order 900 hazelnut balls, for example? I'm not saying they may, but if you see it pop up, you'll know it's me. What is - this is to both of you - the best piece of business advice, or just advice, you've ever received? And then afterwards, I'm going to ask you, what's your advice for people listening going 'I want to start-up, I want to do something'? So first of all, what's the best piece of advice you've received?

HOWARD: As Viv has explained about my personality, I tend to overthink things. So someone you know, someone's told me the 80-20 rule, which is basically you know, you can get 80% of the way there with 20% of the time. I think generally you can get in the right direction with less effort without, you know, overthinking things.

CLAUDIA:

Okay, that's brilliant. Vivien?

VIVIEN:

I think it's just about tenacity, and you really have to have faith and passion in your products and what you're going to do, because it's there are some really long nights and there's some really long days and you just have to be so focused, but so passionate for your product, because, you know, it will take you a long way. And there's, you know, there's a lot of hours to work on it. And so you just need to have real passion and have real belief in your product, and what you're trying to do.

CLAUDIA: And for anybody - it might be the same thing by the way, you might just pass it on - but for anybody - there are lots of budding entrepreneurs listening, people who go, "I'm just going to start something" - What is your...what is your nugget for them that they can hold on to?

VIVIEN:

I think for me you have just got to be ready to troubleshoot every single day. You can read so many books about how people have started businesses and I love reading those types of books, like Shoe Dog about the Nike founder, like Phil Knight, but you have to read between the lines. Like they won't explain how to solve all these thousand different problems that you'll come to every single day, but you just have to be ready to think outside the box and to find your own way around these, these problems, nothing can prepare you for it.

CLAUDIA:

Okay. And Howard?

CLAUDIA:

I would say that it's really important to talk to people and go out there and network and be willing to sort of get advice from people because I think when I started working in Wembley industrial estate, we found it quite hard to network and were quite insular. But you know, when you speak to people sparks fly, you start to engage, you get ideas, and I think, you know, we regret not doing that sooner and also getting help and advice from outside people has been really useful to our career.

CLAUDIA:

Thank you both so much for talking to me, it's been absolutely fascinating. And congratulations - 25 million Little Moons a year. I've got to ask you both now just so that we can all follow your lead, which is the best flavour officially?

VIVIEN:

My favourite is the tropical vegan flavour.

CLAUDIA:

Tropical vegan!

VIVIEN:

You wouldn't know it's vegan.

HOWARD: It took us a long time to develop a vegan ice cream that tastes better than, you know, normal ice cream. So we're super proud of that one.

CLAUDIA:

All right, well, we're gonna go tropical and vegan. Thank you so much again, and enormous luck for the future.

HOWARD:

Thank you so much. It's been great to talk to you.

CLAUDIA:

Huge thank you, thank you and goodbye to Howard and Vivien. And Little Moons, I mean, take it from me, are off the scale delicious. Thank you so much for listening to Business Unusual, we would love you to rate and review the podcast. And please do subscribe to hear more stories about successful challenger brands, and the great people behind them. And if you're interested in trying out the Dream Lab app, just search Dream Lab on the App Store for iOS or on Google Play.

In the next episode I'm going to find out what it takes to be a changemaker in the fitness industry when I talk to Born Barikor, CEO and founder of 'Our Parks'. So, get out the lycra (if you want) pop on your trainers (if you have them) and I'll see you next week!