

Ep10 – Little Moons Return - Transcript

SPEAKERS

Claudia Winkleman, Vivien, Howard

Claudia Winkleman 00:06

Hello, I'm Claudia Winkleman. I've teamed up with Vodafone Business to talk to some incredible entrepreneurs. Welcome to an extra episode of Business Unusual. Just over a year ago, I had my first little bite of magic when I tried mochi ice cream for the very first time. They're called Little Moons. And they're the invention of a brother and sister whose parents ran a bakery -Vivien and Howard, thank you so much for joining me again. I love talking to you the first time I tried them. My head exploded and the rest of the UK the world has discovered your invention. Just in case anybody didn't hear that first episode, I might ask you to go back and tell me about the creation of little moons and why it happened.

Howard 00:55

So Little Moons I guess it goes back to the creation probably from our childhood. Our parents ran an Asian bakery and one of the products they made was traditional mochi. And we decided to innovate it by filling it with gelato ice cream. And so we started that in 2010, Vivian and I. It took us two years to develop the recipe and get it to a place where we're really happy and then we started sending it to restaurants around London. So some of our first customers were Yo'Sushi and Nobu and then we started growing from there, really. And then we started launching into supermarkets and that's when all this craziness kicked off.

Vivien 01:30

We launched into Whole Foods in 2015. And then slowly we then got into Ocado and Waitrose, Tesco's. And then that got us up to January when the TikTok craze hit and we ended up being listed in Morrisons, Sainsbury's, Asda. I know, it's been a crazy couple of months.

Howard 01:45

All our dreams came true in the last six months.

Claudia Winkleman 01:47

It really did , Little Moons dreams came true. And we'll talk about that extraordinary rise in just a minute. But I remember talking to you and you guys were packing the boxes. You were like, "I don't know we'll give it a go". You were incredibly hands on. I was fascinated about what it was like working with a sibling and do you remember those times? Can you immerse us in the beginning of going, I don't know whether they'll like this, I've got no idea. But hey, pass me the tape machine. And we'll box this up and fingers crossed.

Howard 02:18

Yeah, I remember vividly actually, I think at the beginning, we always had a lot of faith in the product and thought they tasted amazing, so ourselves, but the real question was, with other people share in our passion for for for for mochi, ice cream. And I think each stage, it's been like a critical moment for us to get sort of proof of concept. So when we first won the listing at Yo'Sushi, we were like, over the moon, like super happy. And then immediately we're looking at thinking, "God will itself will it stay on the menu? I wonder if people are liking it". So we'd sort of like scour Twitter or whatever, for literally any mention of mochi and Yo'Sushi. And just to hear some feedback and like, wait for what the chef was saying. And I think it was the same at each stage. So when we first launched into whole foods, whole foods, we were like, is this going to work in a shopping centre? Because what people eat in restaurants and what people buy in supermarkets is very different.

Claudia Winkleman 03:09

Yeah.

Howard 03:09

And so when we heard it was selling really well at Whole Foods, the next stage was like, okay, so Whole Foods is okay, but let's be honest, it's a little bit bougie. Will it translate into somewhere like Ocado and then Waitrose. And so every bit has been this moment for us holding our breath. Okay, have we reached the ceiling of you know, where, how niche little means will be or how mainstream will it be? And so it keeps kind of pleasantly surprising us how, like how universal it seems to be.

Vivien 03:35

Waitrose when they first launched us. I think it was just in the sort of home counties London stores and so there was always a question mark, can we go nationwide? And so when we launched into Tescos, again, it was like deep breath, are we going to sell in sort of like the areas outside of London. And it did sell really well. But then TikTok hit and it was the best marketing campaign we could have. We didn't even start it. But it was brilliant for us.

Howard 03:59

I think the last time we spoke, I think we might have talked about the challenge of educating people about Little Moons. And we were kind of doing this ourselves. It wasn't a movement of lots of companies going into an area such as vegan, for example. So it's taken a 10 year journey of plugging away doing stalls, doing lots of demonstrations and sampling and, and just educating the market on mochi but we couldn't imagine, TikTok sort of accelerating that three or four years and all of a sudden, almost overnight. All your hard work is kind of done in all your plans is, is kind of happening organically.

Vivien 04:35

But I think because we started from from when we started, it was such a small business and we did everything ourselves, we still feel quite humbled by that. And so whilst people think we're an overnight success, we know we've been working really hard behind the scenes to get there. And so as we've had to scale up production, it's meant that we have you know, we appreciate the new skills that we need to take a company from start to where we are to then continue growing, it's completely different. So we're definitely not packing on the on the on the cold concrete floor anymore.

Claudia Winkleman 05:05

Thank goodness, please tell me you're not?

Vivien 05:07

We haven't had to do that. But, you know, we've we've been managing, you know, building capacity in our current factory and sort of managing marketing and lots of sales inquiries. So it's definitely now a different skill base.

Claudia Winkleman 05:19

What's it like working together? Because I remember last time, Vivien, you left a big job in the city to do this with your brother. And but you said it really works. Because you have totally different skills.

Vivien 05:30

Yeah.

Claudia Winkleman 05:31

Tell me more Vivien.

Vivien 05:32

We're still completely different but it has worked so well and I've spoken to a lot of entrepreneurs about this. And they say if you choose a business partner, almost do a psychometric test to make sure that you aren't just picking someone who's very similar to you, and you just get on because you enjoy doing the same things. So lucky enough, I think, by by luck, we'd been working together for many years, until we did a psychometric test and realise that we had absolutely opposing skill base.

Howard 05:57

Yeah and for the first few years, when there wasn't really defined roles, and we just sort of picked what we like to do and then anything that fell in between, and no one did, we used to blame each other for doing and so it was a little bit dysfunctional. And then we also used to live together. And that's just very intense. But after the psychometric test, and also after dividing our roles into sort of what suits us best, it's worked really, really well actually. I think we each add, like a different way of thinking to the business and at certain times, you know, one way of thinking wins over the other. And actually, we rarely disagree, after having a long discussion about it. I think a moment that really resounds in my head is this moment about deciding whether or not to pull the trigger on a new factory. And it was like a huge investment for us. Really long lease, the rent and rates alone would eat up all of our profits. And this was pre Brexit. There were rumours about Brexit, but we, you know, a lot of a lot of our business, which was Europe. And so when the announcement came out that 100% Brexit was happening, no one really knew what that meant. But I knew we'd just signed a contract. I was like, I'm really regretting this, can we, is there any way we can like backtrack on this? Because I think this could be like a catastrophic error.

Vivien 07:03

And I said, No, we're doing this.

Howard 07:05

Yeah and Viv just had this gut feel and She was like, "No, we're doing this". And I remember that's a pivotal point because if we'd made the other decision, then we just literally wouldn't have been able to manage the demand that we've seen, I think we would have just sort of stopped in our tracks. So.

Claudia Winkleman 07:05

Oh.

Vivien 07:19

And then since then, we've had loads of challenges, not just with the threat of Brexit, but then the sort of like delays with Brexit are supposed to happen a year before. And then we delayed and delayed and that that's always difficult for a business to manage, because you never know exactly when it's going to happen. And then the rules around it was hard to it's hard for business to plan. So we didn't really know how we'd be exporting. You know, lots of chatting and then COVID hit. And we just moved into a new factory, we'd invested all of this money, and we opened it in January 2020 and then we closed it in March 2020. Period.

Howard 07:48

So lots of challenges. But basically, the summary is different.

Vivien 07:51

We still get on.

Howard 07:51

Always looking at things as a good thing.

Claudia Winkleman 07:53

You still get on. Tell me about who is more tech savvy and how important is that to Little Moons?

Howard 07:59

Being slightly younger than Viv, I'm a bit more tech savvy, harsh, a little bit more tech savvy. But then I guess I'm not that tech savvy, because I think I realised I wasn't cutting edge when Snapchat came out. And I was just like, what's the point of the picture disappearing? This is completely ridiculous. And then, obviously, it went on to be hugely successful. And I was like, okay, I'm not that, you know, up to speed with the kids anymore. I'm no longer a kid. I'm sort of getting older. But yeah, I'm the sort of tech savvy one I would say.

Claudia Winkleman 08:28

And on the subject of tech, we will talk TikTok and what has happened to your business. More from my chat with Vivian and Howard in just a moment. But first I just want to introduce a brilliant you initiative from Vodafone Business. In the last year, there's been a huge rise in the need for businesses to get online. Small and Medium Enterprises make up 99.9% of the UK's business population. Founders and entrepreneurs have never had so many decisions to make when it comes to technology. Digital skills are more important than ever, but at least a third of small business owners in the UK said they aren't

sure which tools will best suit their needs. Many haven't invested in any digital support. Some have only the most basic cybersecurity. That's why Vodafone have introduced business.connected a free online training programme to support 100,000 businesses across the UK. It offers free webinars, workshops and online training modules. There are different levels of upskilling to cater to those just starting their online journey as well as businesses looking to build on existing experience. Find out more by Vodafone Business Online knowledge and Resource Centre V hub where you can sign up to business.connected and connect your business to the free tools and training. You need to digitally transform search Vodafone Business, V-Hub. We're revisiting little means just because we couldn't not with Vivian and Howard Wong because a year ago, you were absolutely smashing it. People loved it. We were talking about it. You were introducing a Japanese dessert to people who hadn't tried one before. But then something happened called TikTok.

Howard 10:16

So yeah, as you say, our businesses already, it felt like we were really growing really strongly it was getting momentum. We were getting out there into more retailers, more and more people have heard about us, and so, we thought things were going phenomenally well. And then I think it was in January, I remember sitting on my sofa, and we'd had a message from our team to say, oh, you know, we're getting quite a few posts on TikTok now. So I like Russia, Wi Fi, and check out tick tock search for hashtag little means. And I'm scrolling. And I remember like, my, my, my fiance, Mackey and I were just eyes lit up because we're scrolling and scrolling, scrolling and scrolling. And it just wouldn't stop. And we're like, this is unbelievable, because I used to get a kick when I saw any random person posting about them. I mean, it was an amazing feeling. You know, someone out there is talking about your product. And all of a sudden, it's people up and down the country of kind of a demographic that's probably different from our usual consumer to be honest, but still amazing to see. And it literally was just mind blowing.

Claudia Winkleman 11:11

Tell me about the demographic because I was quite interested in, that you said it, and Vivien, you nodded. You went "Yes, babe". Who normally is eating Little Moons and who was on TikTok?

Howard 11:22

So our demographic is usually probably people in their 20s to 30s. Quite foodie, probably working and, you know, into world cuisines and just just generally a little bit older, I'd say. And the TikTok demographic is probably teenage, early 20s. I mean, it spreads across the whole gamut. But I think the concentration here was sort of the young, younger audience. And so, it was a surprise to us to see that. But then, well, it wasn't too surprising. I guess it's not a not a complete shock. But yeah, just different from our normal demographic.

Claudia Winkleman 11:59

And what it did, I suppose, because I'm, I don't know, I can't spell TikTok, they don't use C's, I'm confused. But my daughter's always on it. So what it was also doing when you were scrolling is introducing lots of people to the idea, and then they would go "Mom, can we get this?" Or "I'm going to go and try it". Is that what happened? And then it just, I mean, I think I want to use the words 2,000%. But that feels ridiculous. Tell me Vivien.

Vivien 12:23

It was about 2,000% increase in sales. And and I think what was great, I it was just so organic. This is what was so lovely about it was that it wasn't something we had planned. And it was just it started with one person going to a big Tesco for an adventure to find Little Moons and I think we'd all been locked up. It was our only permissible adventure we could go on. We were only allowed to go to supermarkets. And she filmed herself going into supermarket finding us on shelf, there was a call to action to buy it. And then she rated it. And I think it just captured people's imagination. And they thought, You know what, let's go do that too. We need some fun. We need a little bit of an adventure. So everyone just started going to the stores to look for it. And the videos that came out were just brilliantly hilarious.

Howard 13:07

We got lots of calls from parents who just saying, I've driven around 30 Bloody miles with my daughter or my son, and we haven't been able to find it. Can you send us some over and just got videos like that.

Claudia Winkleman 13:19

It was such a I mean, I have friends who can't survive without the mango or the coconut. I mean, they have to have it in the freezer, because that was their treat. It's a beautiful size. It's delicious. It doesn't feel I don't want to use the word naughty, but it feels absolutely scrumptious and a really high quality. And the fact that it keeps selling out just makes a - if there are boxes, I'll buy enough, but I need to buy another freezer. So I always have it. And it hasn't dissipated has it? Now once people try it, they it just then gets added to the basket every week.

Vivien 13:19

There was particularly a Dad, quite memorable. He driven 80 miles around Wales. And he just said it at this point, I might as well just drive down to a factory in London because I can't go home without the product. And we felt so bad. I mean, it was a lot of dads that were doing the doing the driving. And then we just had an anecdotal stories of our friends going to the freezer aisles and seeing just sort of lost men just looking at something. And they said, "Are you looking for Little Moons? and they're like, "Yes". And then they go to shelf and it was sold out, sadly. But it was just such a brilliant movement to see . Yeah, I think what's been great is that it has opened it up to a larger demographic. And so once they have tried it, they really love it. And that's, you know, that's really lovely for us to hear that it's not it's not just a trend. It's people genuinely trying the product, and it's now a staple in their lives.

Howard 14:34

Yeah, no, I just want to just say that being out of stock everywhere wasn't a tactic.

Claudia Winkleman 14:39

No, of course.

Howard 14:41

But but I think it has, in a way helped. It helps people feel like, you know, I need to get it when I can't. You know, and it's scarcity, you know, creates demand, but really it was just us really trying to scale as fast as we can because all of a sudden with that demand jumping up that high, we make everything

ourselves it's quite a skilled process to make it. So you, you literally can't hire and train people fast enough to meet that demand. So we actually feel really bad about the difficulties people have had finding it. Some of our long term customers have said, "Hey, I've been buying this since, you know, five years ago, six years ago, way before the TikTok trend, and now I can't get my hands on it, can you like, sort it out?". And we're really trying, and I think we just got to a stage almost now we've, we've started working, you know, seven day shifts and putting on loads of loads of extra shift patterns and stuff. And now we're getting into a good place, we are sort of just about being able to take a breath.

Vivien 15:30

Yeah, because our factory isn't automated, it's just to constantly turn turn the switch and start making it faster. There human involved, you know, they have lives too, and, and they and so everyone has to be trained properly in that. And we just didn't want our quality to slide as as we scaled up. So that was really important to us. Because like you said, it's great quality, we want to keep that it's like and I think we kind of describe it as a little lift. Because it's not a treat. It's not naughty, it just it just gives you that little bit of a lift during the day.

Claudia Winkleman 15:57

Did you ask for advice? Did you read up because you must have felt enormous pressure, like you say like you're apologising. Now that some dad couldn't find it for their kid, it must have been incredibly stressful, although exhilarating?

Howard 16:09

100%. I think everyone says you must, it must be so amazing. And I'd say "absolutely, I'm so happy that this has happened. It's like an amazing thrill". But then, after the novelty wears off, there's just a huge amount of work that needs to be done. Because all of a sudden, all the scaling that you would that normally takes three, four or five years has to be done in two months. And it's a little bit overwhelming. But I think we're really lucky to have had in place a really, really strong team. To help us say, we've got a non executive advisor who was sort of really helping guide us on how we can scale and who we need in the business to help that journey. And our marketing director Ross has lots of experience and a knew kind of advice on how to translate the TikTok success into sort of real real world success, because a lot of people aren't on tick tock and say they would never heard about the trend. So we were very quick to try and sort of get press coverage on the tick tock trend to just to let people know, in the sort of a normal demographic know about sort of the trend.

Claudia Winkleman 17:10

It's just amazing.

Howard 17:11

I also haven't slept for any full nights since for the last eight months, like no jokes. I mean, it is a wonderful place to be. But like you said, there is like huge pressure as well, because from supermarkets asking because they like to have 100% availability. So there is a huge amount of pressure as well getting phone calls saying we can't we can you send any more. And we're like we physically can't, but we're really trying, we're pushing our team. So yeah, it's been a really overwhelming couple of months.

Claudia Winkleman 17:35

I'm so sorry, you haven't slept Vivien, I want to come and give you a massage. If that doesn't sound too weird. Regarding when you said real life success, what does that mean, financially, or what it means for the future of your business? Are you now thinking, "well, if we can do this, we can do that"?

Vivien 17:54

I think it's just sort of fast boarded our business, like Howard said, like we would have gone here in five years, but we just did. It's just been condensed into eight months, or even five months. And so we always had confidence in this product. That's why we started it. But now I think it's just given us that greater impetus to then further invest in the business and to increase our marketing. I think we're going to have some, we had our first out of home marketing campaign over the summer and we have plans do a lot more marketing projects and things like that. We had our summer van tour as well, which was really fun last week.

Claudia Winkleman 18:25

That sounds amazing. I've spoken to lots of founders and CEOs. And and some of them have mentioned burnout. Do you also look after yourselves because you're brother and sister team? Howard, can you? I'm really obsessed that Vivian needs to sleep. It's taken over? No, but can you say "I'm on it have five days? Turn your phone off"? Do you do that for each other? Or are you not? You just don't have the time for that yet?

Howard 18:48

You're shaking your head. But I was about to say yes, absolutely. We do that for each other. I think I always say that, we always say that being a sole founder must be a really lonely place. And we have friends who have found businesses on their own. So we feel really lucky to be able to sort of speak to each other and confide in each other about any issues and also to give each other time off. So if for example, Viv is going to be out the office this weekend, and she said "can you do this while I'm away just because you need we need someone in a leadership position to sort of do this?" And I think we can lean on each other on that quite a lot. And that really helps burnout because just having a week off makes all the difference to working solidly through a 6 or 12 month period without any time off. I just I don't actually, I can't imagine people doing that.

Claudia Winkleman 19:34

No, Vivien I'm taking over. I'm taking over your life. You're not taking your laptop and your phone on holiday. No. Does it This ends now today. And you and alright, I suddenly I suddenly took on and became your mum. But you need to look after yourself.

Vivien 19:34

Yeah, I think you just you have to be really mindful of burnout and listen to your body because I think it's such an easy thing to do. Now even if I take a holiday I take my laptop I'm on my phone all the time because I just have to keep on top of my emails. So I'm never 100% switched off. But you, I can tell, I heard Gwyneth Paltrow use this phrase and she said she's a white knuckler and that's what I do. I just hold on really, really tight and I don't realise that I'm holding on so tight until something happens and I

just, you know, I just can't hold it in anymore and it's just too much. So I don't want to get to that point. So I make sure that, you know, I get off earlier and I go to the gym at 6.30 because I need to work out because that's my release or I make sure that I'm eating healthier and I actually try and go to bed at 10 because even though you then feel really tired and you want to stay up a bit later just to sort of like have some free time it's counterproductive. So I've found a rhythm now whereby I can get up early, go do my exercise, and be in bed by 10 o'clock and just try and sleep because like yesterday I woke up like this morning, I woke up at one o'clock, but you know. Yeah, no, I recognise that.

Claudia Winkleman 20:51

Um, let's talk about flavours. Because we discussed flavours last time which was super fun. Your current flavours are and then I would like you to give an exclusive to us and tell us about future flavours please, but your current flavours are?

Howard 21:04

Okay, so our most popular flavour is our vegan tropical flavour which the mango and passionfruit that's amazingly successful. Other favourites are pistachio, coconut, but you can chocolate, mango.

Vivien 21:18

Salted caramel.

Howard 21:19

Salted caramel. And we do actually have something that's going to be launched in the next few weeks. Very exciting.

Claudia Winkleman 21:26

Can you tell me?

Howard 21:27

I think I think we can. Okay, yeah. We've been working for a really long time on a vegan chocolate hazelnut. And it's it's a little bit like a like an ice cream Ferrero Rocher I would say. It's like it's just like crunch pieces inside, you can't tell it's vegan. You had me at crunch.

Vivien 21:30

It's an exclusive. Yeah, I'll drop you some round.

Claudia Winkleman 21:50

No, you don't you. No, you are doing nothing other than getting into bed young lady.

Vivien 21:55

Howard will do it.

Claudia Winkleman 21:57

Howard get on your bike. I'm joking. If I talk to you this time next year, what do you think will be happening? I mean, you could never have predicted this. And have you hunted down that TikTok user and said, "PS. thanks very much for going to the supermarket that day"?

Howard 22:14

Absolutely. It's actually not one user. It's a weird thing about TikTok. You can't search

Claudia Winkleman 22:20

You can't find the first.

Howard 22:21

Yeah. So we've contacted the first few. We've sent them all thank you packages and stuff like that. And I think when we launched vegan chocolate hazelnut, we're going to, we're going to give it to the users who post about us first as a thank you.

Claudia Winkleman 22:35

Brilliant.

Howard 22:35

So yeah, so that's kind of what we're trying to do.

Vivien 22:38

I think we'd like to try and replicate our success in Europe, in France and Germany. And there's a quite big markets and we're ready for sale there. So we're I guess we're trying to figure out way of how to how to supply them better.

Claudia Winkleman 22:51

I have a question. I don't mind who answers it. Vivien, if you're napping, good. Can you please give me three words to describe your business?

Howard 23:00

Our three words are delicious, elevating and unordinary.

Claudia Winkleman 23:06

I'm now going to ask you for the three things your business could not live without?

Vivien 23:12

Social media.

Claudia Winkleman 23:13

Yes.

Vivien 23:14

Our team.

Claudia Winkleman 23:15

Yeah.

Vivien 23:16

And our customers.

Claudia Winkleman 23:18

That was adorable. That's so lovely.

Howard 23:22

Good summary.

Claudia Winkleman 23:23

Thank you both so much for talking to me. It's been so lovely to catch up and massive congratulations on your huge success.

Vivien 23:29

Thank you so much. Thanks for having us on.

Howard 23:30

Thank you.

Claudia Winkleman 23:31

Vivian. When you turn this off, you're turning your phone off and you're lying down in bed.

Vivien 23:34

Okay.

Claudia Winkleman 23:34

That's an order.

Vivien 23:35

Okay.

Claudia Winkleman 23:43

Thank you to each of the entrepreneurs and founders who took part in this series of business unusual from Vodafone Business. I have loved being part of it. Most of all, thank you so much for listening. Hopefully we'll see you soon. And if you want to start a business, I think the thing we've learned is, start one. Please rate and review the podcast and subscribe to hear lots more from the UK most invigorating entrepreneurs. From me, for now. Goodbye.