

## **Guava Amenities:** Bridging The Gap Of Hospitality And Internationalisation

How Guava Amenities leveraged on GlobalConnect@SBF's wide network and market expertise to seize the growing local tourism opportunities in Vietnam



#### **GUAVA**

Company: Guava Amenities Pte Ltd Industry: Hospitality Expansion market: Vietnam

#### Challenges

- The knowledge gap in customs compliance of the country
- Inefficient business development with local clients
- Incoherence supply of raw materials, leading to inconsistency in product quality

#### Outcomes

- Embassy support to minimise regulatory hurdles in the future
- Successful networking, leading to the expansion of the Vietnam client base
- Established strategic business connections that will enhance Guava's production line

The name Guava Amenities Pte Ltd ("Guava") is synonymous with top-class hospitality services for international hospitality groups, airlines and cruise liners. The company specialises in guest amenities such as body wash, shampoos and dental kits. This Singapore-based SME, founded in 2004, looks to expand its international presence. The company's business already covers Canada, UAE, USA, UK, Japan, China, to name a few.

### Supporting Guava to overcome regulations challenges

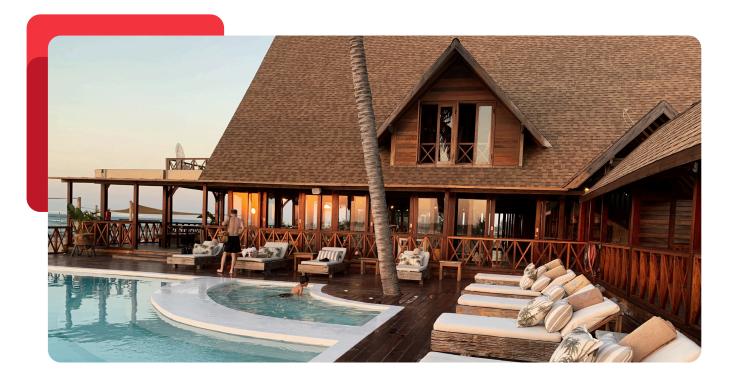
The connection between Guava and GlobalConnect@SBF initiated back in 2018 when Guava encountered a custom clearance issue for its exported amenities to Ho Chi Minh City, Vietnam. At that point in time, Guava did not have the assurance that the order would reach on time and were at risk of losing an important client in Vietnam.



Amy Wee, Country Head for Vietnam market from GlobalConnect@SBF has been instrumental in our overseas expansion journey. She was able to provide practical market entry advice as well as connect us to relevant partners in Vietnam. GlobalConnect@SBF is an invaluable resource for companies that are looking to enter new markets.

Gabriel Tan, Director,

Guava Amenities Pte Ltd



Gabriel Tan, the director of Guava Amenities Pte Ltd, took a prompt decision to approach GlobalConnect@SBF and seek possible assistance. Meanwhile, the country head for the Vietnam market, Amy Wee, immediately utilised GlobalConnect@SBF's connections in the Vietnam embassy to help sort out the documentation compliance for Guava.

GlobalConnect@SBF's strong local network was instrumental in helping deal with this regulatory hurdle in a short period of time. Moreover, to make sure the company did not face further issues in the future, Guava was also introduced to the Vietnam Embassy in Singapore, which would advise them on regulatory requirements from time to time.

"The "government-to-government" connection was crucial in helping sort out red-tape issues involving the imports of our products into Vietnam," said Tan.

## Forging local connections to make new opportunities

Before the COVID-19 pandemic, Vietnam was in the midst of a tourism boom. The hospitality industry had shown dramatic growth in both the number of new accommodations and sales revenue. Despite Guava having a certain degree of market presence in Vietnam, the sales mainly came from regional contracts with hotel chains, where headquarters are based in Singapore.

Hence, Tan shared his struggles with Wee and hoped to seize a golden opportunity in Vietnam. Guava was trying to pitch their products to the Vietnamese real estate developers and local hotel chains. However, the absence of local connections in Vietnam proved to be a hurdle for Guava in expanding its customer list.

GlobalConnect@SBF then came into the picture by briefing the Guava team on the local hospitality ecosystem and potential clients' key contacts. Amy and the team also took the extra mile to initiate and moderate the conversations between Guava and clients in the pipeline. This move was to ensure that Guava was able to secure end-to-end deals.

# Optimising the production line to fuel up regional business growth

With Guava's current portfolio in the Southeast Asia region, the Singapore SME supplies about 40,000 tons of products to its customers annually. However, the production lines were diversified in 3 different countries, causing an inconsistency in quality due to the incoherent supply of raw materials – a factor which was crucial to their brand.

Having successfully entered the market and with a new customer base in Vietnam, Guava foresees the significant value in centralising their production lines to one country. Vietnam will underpin the argument for achieving economies of scale. Besides, a standardised, high-quality product will help to boost customer acquisition and retention rate.

It was then that GlobalConnect@SBF played a pivotal role in forming a strategic relationship between the raw materials supplier and Guava. The team at GlobalConnect@SBF took proactive initiatives of engaging in conversations and visiting the supplier's site to ensure that the quality supplied was top notch.

Tan explained that acquiring the supply from this renowned fragrance company was the icing on the cake for Guava's centralised manufacturing strategy. With GlobalConnect@SBF as Guava's backbone, the homegrown brand made significant progress on its regional expansion game plan.



What makes us different is that the team at GlobalConnect@SBF is on the ground. We have a Vietnam team that is specifically there to help the SMEs with everything they need to ensure that their transition is as smooth as possible.

Amy Wee, Country Head – Vietnam, GlobalConnect@SBF

### In the future, building Singapore SMEs for internationalisation

Citing the fruitful collaboration between Guava and GlobalConnect@SBF, both sides believes that this success story should inspire other SMEs in Singapore to take that leap of faith when it comes to internationalisation. What makes the GlobalConnect@SBF team stand out is their ability to connect businesses as they understand the challenges SMEs go through and provide the best solutions.



The door of opportunities has opened; GlobalConnect@SBF will continue its stride down the lane with Singapore SMEs.

