

## Season 2, Episode 3 · Interview with Marianne Hoppu, founder at Narskuttelu Oy

Jennifer McDonald-Nethercott:

Welcome to this episode of the W-Power podcast created to share the stories of business women from across the arctic rim and hear from them about growing and running businesses in some of the most remote regions of Northern Europe. I am your host, Jennifer McDonald-Nethercott. And our series will feature amazing women, who have overcome the challenges posed by the remote geography to set up thriving small businesses.

All of them have received support of one kind or another from W-Power, a project funded through the Northern Periphery and Arctic Programme of the European Regional Development Fund.

My guest today is Marianne Hoppu, founder at Narskuttelu Oy based in Kitee, Finland. Marianne has a background in Engineering and has lived in Kitee for over 10 years, before spending some time before that in the USA. She is now the manager of the family business which manufactures Xylitol nature's own sweetener, which tastes like normal sugar but has a lower glycemic index. The main markets for the products is surrounding Nordic countries, and the company is currently exporting to central Europe too. Welcome to the podcast, Marianne!

Marianne Hoppu:

Thank you, Jennifer!

Jennifer McDonald-Nethercott:

So, it would be really good to find out a bit more about Narskuttelu. And where you first came up with the idea for it, and when you first started the business?

Marianne Hoppu:

Our business roots go to year 2009 when we were in the USA. And we would find that there is a dental guard for bruxism in the grocery. And when we came back to Finland 2010 we noticed that we don't have here. So, my husband Pekka talked to contact to US, and he just asked it if he can be a reseller and start the business. So, the first idea was just do some extra money, but then, when we got an old machine, tablet machine, we changed the whole idea. So, the Narskuttelu, obviously, is in Finnish, and means in English 'bruxism'. So, there is a line. And Narskuttelu founded in 2017, same year when I came in. And we really manufacture Xylitol products here in Finland. And we started from our own garage, but now we have a factory, which one is located in Puhos. It's about 15 kilometers from Kitee. And we started the production of those Xylitols in 2016, and next year we made a Xylitol toothpaste, and last year we started to do chewing gum, and this summer we started to do those Xylitol lollipops.

Jennifer McDonald-Nethercott:

Wow! There's quite a range of products that you're now making. And in terms of setting-up the business, obviously you took that initial root of bringing it from the USA.

Marianne Hoppu:

Yeah.

Jennifer Mcdonald-Nethercott:

But what was the process did you have to go through for setting-up your own factory and your own manufacturing in Finland?

Marianne Hoppu:

So, when we started, yeah, we had to change the whole business idea, because, basically, it was web-shop, where we do those dental guards. But when we got that machine, old machine, we change it, and we take it that way that our family's whole income depends now how we run the business. So, first, we got some invest money from EU to start up, and so we need to do some calculation to show that business is profitable, of course. And we need to talk a lot, of course, with the family, and friends, what we do, and what we don't have to do. And we need to think what is the best thing, and what is the worst thing what can happen, of course. And we decide that way that always our family and kids are first, they are number one, and the business things go to second.

Jennifer Mcdonald-Nethercott:

Which is a great principle to work on, and having, as you said, that support from friends and family with business,

Marianne Hoppu:

Yeah.

Jennifer Mcdonald-Nethercott:

which initially would be so important. And in terms of challenges that you faced along the way, was the initial funding part of it, or were there other challenges you had to overcome?

Marianne Hoppu:

There's maybe two ones. The first is that business grows slowly. Even we have decided to grow slow, it takes more time than we think it. And the same with the money, of course, because when you grow, you need money. But you need the triple amount of money than you expected. And it's the same with family and business, because you have to set a time between those one. And, like when our children are on holiday from the school and pre-school, they are quite often with us. So, they play, and they try to help us with our web sup, but of course you know, when you have a child, what happened. And that balance between work and home is quite a challenge. Today I do so many things with my phone, so I just say to my kids that I quickly check something. And then I notice that two hours has gone and what I do. But now I have tried to put my phone off to 6 pm to 8 am, and take time to family that way.

Jennifer Mcdonald-Nethercott:

And that's a good discipline to get into, which means that you can give your full attention

Marianne Hoppu:

Yes.

Jennifer Mcdonald-Nethercott:

to both sides of life as well. Your business gets your full attention when it's needed, and family gets your full attention too.

Marianne Hoppu:

Yeah. And I try to, but sometimes it's too hard.

Jennifer McDonald-Nethercott:

It is, it is, because, as you said, sometimes something in the business will need some attention, and obviously, if you got kids off sick, then

Marianne Hoppu:

Yeah.

Jennifer McDonald-Nethercott:

then family needs the attention on that side of it. In terms of what we've all been experiencing this year with COVID-19, what challenges has that brought to the business?

Marianne Hoppu:

It was about a middle of March, when it strike to Finland. And it was totally stop to business. Our web sup was quiet, and our business customers did not order anything, so we really start to think what we need to do. And because we have one employee also, we need to talk what we do with her also. And we try to plan next few months and how it goes. But we were quite lucky ones, and the silence time was only few weeks, one month, and after that it goes on. So, today we are quite back on the road like March. And, ok, today we have that second wave, but we will hope that it will be end as soon as possible.

But also there is the other side that all our professional fairs are cancelled during this year. So, that wasn't what we planned. And, now we have that kind extra money. So, we try to put those money to marketing, because we are really lazy about marketing. And we think that in this way we can, we have a good chance to find new customers.

Jennifer McDonald-Nethercott:

Which will be, obviously as well during this summer you've created a product as well, the lollipops too.

Marianne Hoppu:

Yes.

Jennifer McDonald-Nethercott:

So, with building up your marketing, that'll then help the launch of that new product throughout the rest of this year. So, in terms of the rest of this year, what you long for, so, what are your goals for the rest of it?

Marianne Hoppu:

We still have goals to grow our turnover, even that we have that COVID. So, we have we try to do some maybe one or two new products to the market. And of course, we need a little bit more cashflow, and that way we need to also to start investing to our product place and maybe we order new machines or so. So, those are the main things. And at the same time, we like to do cooperation with our local distributors, cos we have here a lot of really good products, and we don't do enough those marketing things. So, we have to encouragement each other to show those products.

Jennifer McDonald-Nethercott:

You've got some good opportunities this year with working with those distributors to grow your sales.

Marianne Hoppu:

Yeah.

Jennifer Mcdonald-Nethercott:

And push through new products as well.

Marianne Hoppu:

Yes. And we have to do cooperation all the time.

Jennifer Mcdonald-Nethercott:

Yeah.

Marianne Hoppu:

We are so small, so if we don't fight together, yeah. We're lonely ones.

Jennifer Mcdonald-Nethercott:

Yeah, that's it. And it does give the opportunity, as you said, cooperating with other businesses to grow yours.

Marianne Hoppu:

Yeah.

Jennifer Mcdonald-Nethercott:

And in terms of the W-Power, how that helps you in business?

Marianne Hoppu:

It has given me contacts, cos in North Karelia, the area where we lived, we have here a lot of great businesswomen. And we like to help and give time, and our contacts, and our knowledge. So, it's like Helena. She's that person, who give me this opportunity and challenge myself to this interview. So, I'm really happy about this group. And I have noticed that there is really good webinars, it's coming now. And this podcast is also quite excellent one.

Jennifer Mcdonald-Nethercott:

And it's nice to, as you said, share your knowledge, and gain knowledge from other women working in business in your area!

Marianne Hoppu:

Yes. That's maybe the best one.

Jennifer Mcdonald-Nethercott:

Yes, and it makes you feel that you are not the only one to grow a business. That there're other women out there, doing exactly the same thing. And even in a different industry.

Marianne Hoppu:

Yeah.

Jennifer Mcdonald-Nethercott:

So, what one thing do you wish you'd known, when you started the business?

Marianne Hoppu:

That I need money (laughs). It's so hard, when you grow your business, and always you need money more. Because, of course, we have to have those raw materials in the warehouse. And when you grow, you need bigger one ware houses. And, because we are small, we need to be fast and flexible also. So, that means that we have to have bigger one warehouses. And. of course, because we are small, we need to pay quite often proforma invoices. So, that's one I didn't know that I have to pay before I get those materials. ,

Jennifer Mcdonald-Nethercott:

So, it really is around the cashflow around the business as well as having that manufacturing and storage space that you could hire.

Marianne Hoppu:

Yes.

Jennifer Mcdonald-Nethercott:

And obviously, as you grow, and do more sales, it will then require larger premises for more storage and more manufacturing.

Marianne Hoppu:

Yes, that's the way how it goes. And after you are big enough, it will be a little bit easier. But now, today, I have to pay it before I get. And I hope someday I will be so big that they can give me some time to money.

Jennifer Mcdonald-Nethercott:

That's it. And look for that credit going forward should, will help your cashflow.

Marianne Hoppu:

Yes.

Jennifer Mcdonald-Nethercott:

Yes, from that side. So, it would be really good to share with the listeners a bit more about the business and the products. So, we would love to give you the opportunity to do your elevator pitch, to share with the listeners exactly more about the business.

Marianne Hoppu:

Yes. So, we give you sweetest of Xylitol. We have different tastes, from everyone, we have smoke tar, and smoke whiskey, and of course, we have basic fruit taste like apple and strawberry also. So, in Finland, we know of the benefit of Xylitol for teeth, but we think it's a great option for people with diabetes and those people who do not like to use white sugar. And of course, we love to do so much more than just pastilles. And today we make Xylitol toothpaste, chewing gum, and those lollipops. And we prefer high quality raw materials, and we are quite innovative business, that just develops, in the future also.

So, our online store service private customers, and also business customers. So, distributors and resellers may order a bigger amount of Xylitol pastilles and Xylitol component with Finnish berry powders. And of course, those lollipops. And we have those birch sap xylitol toothpaste for resell also.

Jennifer Mcdonald-Nethercott:

It's such a diverse use of the products with all the things you're providing. And I'm really interested to hear of the different flavors as well. Some unusual ones, in terms of smoked ones.

Marianne Hoppu:

Yeah! We have now about 22-23 different flavors of pastilles. So, I think you will love it also.

Jennifer McDonald-Nethercott:

Yeah. And is there a top seller? Do people in Finland have a favorite flavor they like to go for?

Marianne Hoppu:

Yes. We eat here salt liquorice, of course (laughs).

Jennifer McDonald-Nethercott:

Wow! That sounds amazing!

Marianne Hoppu:

Yes (laughs). But, that smoke tar is maybe the second one.

Jennifer McDonald-Nethercott:

Yes, these're quite different flavors. And do you find in terms of exporting them, the certain countries will choose a particular flavor?

Marianne Hoppu:

Hmm, what I can say? The chili one is maybe that kind, which, of course, adults like to order us. So, that's the way those chili and smoke tar, and smoke whiskey goes up. But when you have children, you order strawberry, and apple, and pear, and things like that. And that doesn't change when you go to other countries.

Jennifer McDonald-Nethercott:

Everyone, as you say, children, like those familiar flavors, don't they?

Marianne Hoppu:

Yeah.

Jennifer McDonald-Nethercott:

Yeah. So, in terms of the business over the next five years, what's your vision for it? Where do you see the business going?

Marianne Hoppu:

I hope that we still have our web sup, cos I like it. And I think that we might be one of the leaders of dental sups here in Finland. And of course, we will do our products, that they will be better and better. And we'll make different kinds of Xylitol products. So, I think that we will bring some new products on the market, which one you haven't seen before. There is some ideas.

Jennifer McDonald-Nethercott:

Really? That sound an exciting few years ahead in terms of your new product development, and being able to share different products from Xylitol. It'd be very interesting to see, where you take the products.

Marianne Hoppu:

Yep.

Jennifer Mcdonald-Nethercott:

Well, thank you so much for your time today! And if you want to find out more about Marianne and Narskuttelu, we will hop the links in the short notes.

More information about W-Power and the support available in your area is included in the short notes, as well as links to join the project's local and international Facebook pages and LinkedIn group. We thanks to the Northern Periphery and Arctic Programme of the European Regional Development Fund, and Highlands and Islands Enterprise for their support with this project. Until next time!