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COVER STORY

SMEs and Crisis Management: What Really Matters?

By Maha Mohammed Yusr & Selvan Perumal

Uncertainty has been determined as one of the sources of risk, where the risk levels up with increasing the uncertainty in the market. "The only constant in life is change" this statement truly tells that facing uncertainty is an unavoidable fact, hence, SME has no choice except planning how to reduce the impact of such unexpected situation on the organization survivability. Having resilient plan that can accommodate any possible uncertainty was found to be an essential to any organization. Hence, crisis management is a part of the efforts that SME has to pay for to mitigate and absorb the potential impact of any risks.

Crisis Management and Its Impacts

Crisis management is a process to design suitable strategies that can help the SME to deal with unforeseen situations that might have major negative impact on the company and all stakeholders. Creating crisis management plan helps the company to cope with any drastic changes in the way the business being

conducted. Usually, crisis happened due to unpredictable factors, or as an output of some situation that known as source of risk, for instance, new competitor penetrates the market, fast pace changing in the technology and trends in the market, political, macroeconomic, etc. Undoubtedly, whatever the reasons behind, crises need to make decisions on spot to mitigate and limit the damage to the company. To what extend is the impact of the potential risk, varies depend on the nature of crisis. Obviously, crisis can affect health or safety of the employees, the financial status of the company, the reputation of the firm, and other kinds of negative impacts, or some combination of several impacts.

Crisis Management and SMEs

Through implementing crisis management strategies, the SMEs seeks to minimize or mitigate the damage. Yes, the term of minimize and mitigate is deliberately describe the situation, where it is almost impossible to find strategies that can stop the risk or damage to the organization.

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It is important to mention that crisis management is something different than crisis response. While crisis management is complete processes that SME organization practices starting before a crisis occur, the crisis response is a part of crisis management and more engaged during the happening of the crisis.

The SMEs need, in order to prepare the crisis management plan, to point out the risk and the critical risk whereby the directions become cleared to the companies concerning what the mitigation strategies need to be implement to deal primarily with critical risk. Here, it is important to distinguish between crisis management and risk management where they are two different concepts. Crisis management is targeting to find ways to limit the potential risk (anticipating), while, risk management includes figuring out the best ways to handle the incidents that happened (responding). Therefore, risk management is a part of crisis management plan. Fire issue can be a good example to simplify the differences between crisis management and risk management, where all the efforts and plans have been putted to minimize the lost in the stock, building, employees



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**Cover Story**

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etc. during the fire are considered as risk management, while the processes to deal with this kind of threats before it happens like system established, insurance and all related decision during and after the incident all under crisis management custody. Consequently, crisis management goes through three main stages of processes named: pre-crisis stage, crisis response, and finally post crisis. The way the company responds to the crisis determines the quality of pre-crisis stage, and facilitate the post crisis stage which is more goes towards the adaptability of the company to the new situation.

Managing Crisis: What SMEs Need to Do?

Certainly, planning, practicing and developing crisis management enhancing the SME's abilities and flexibilities to respond to any undesired incidents, therefore, organization, regardless of its background whether public or private, profit or nonprofit practices or needs to crisis management. As it is well known, preventing strategy is the best crisis management, however, the readiness to manage any crisis is still needed. Therefore, it is instrumental to be aware about the problems that might be faced before it is too late, hence, the simplest approach to do so is to evaluate the risks/problems from three essential perspectives. First, the situation must carry prompt threat to the firm. Next, the problem must involve the element of surprise or shock, and finally, it must bring a pressure to the organization to make timely and effective decisions and actions.

Types of Crisis SMEs

Crisis can be classified into five main types namely financial crisis, personnel crisis, organizational crisis, technological crisis, and natural crisis.

- **Financial crisis** is one of the most crisis that organization concerned about due to the immediate impact on the organizations' performance and the high vulnerability to any upcoming event. This type of crisis happens when the firm loses the value in the market, value of the assets or the lost in assets, inability to pay off all liabilities, etc. Several reasons can stand behind to lead to financial crisis on top of them drop in demand, new trends in the market, new technologies, etc.
- **Personnel crises** happen when misconduct or misuse of the power and authority by which a serious backlash against the

organization might occur. As long as the organization employed or supported this individual, their lack of judgment is reflected onto the organization's reputation too.

- **Organizational crises** are cases when the organization has clearly and significantly wronged its consumers. Instead of creating mutually beneficial relationships, the organization used their customers as a tool of benefiting the organization. This type of crisis includes misconduct like withholding information, exploiting customers, and misusing managerial powers, misusing the customer information, as an example, the case always raises up against Facebook where the company has been accused to penetrate the privacy of the customers for commercial use.
- **Technological Crisis** is highly possible in this era of tech-driven, ever changing with fast pace could generate critical risk in to the organization. We can give here as example, the technology use by Tesla company that produces fully electric vehicle and clean energy. This technology comes inline with the tendency of the societies to go for green option. We can expect a radical change in the automobile industry in the coming years, let's observe. this situation definitely is threats to the current automobile industry where they need to do something before it is too late.
- **Natural Crisis** is also source of crisis where being attacked by earthquake, hurricanes, and tornados can make a significant impact on your business. If the firm is located in an area that is exposed to such extreme weather, the firm need to prepare an emergency response to the unfortunate event that might affect the organization. Sometime the best strategy to manage natural crises is to be proactive, and try to go with option that can provide some resiliency to the weather in in specific area and prepare an evacuation plan in the event of an emergency. It is useful also to prepare a contingency plan for the operations in case the organization become unavailable. However, not all nature disasters the organization can be proactive with like the case of COVID-19 pandemic.





Crisis Due to Covid19

Recently, the world faces one of the serious issues represented by what so called corona virus pandemic COVID-19 that put all business sectors, without exceptions, under unexpected challenges lead to many unwanted situations to both business and individual. As has been mentioned earlier, generally, all kinds of crisis are related to three main threats (i.e., public safety, financial and reputation loss). Covid-19 almost result all these main threats entrepreneurs can ever face. This disease come so fast which majority of the SMEs had no or very limited time to make a decision and come out with strategy to face the situation. In this inevitable situation crisis communication was the first option to be implement to respond to this risk. As the situation is new to all, keep updating the employees, customers all other stakeholders were critical to direct them on what should to be done, how and what is really going on.

Crisis communication helps to ensure that all stakeholders are clear with their roles to take the responsibility so that organization can run as smooth as possible. Failure in communication leads to compound problems that cause serious crisis. Therefore, it is advisable to develop crisis communication plan based on the targeted stakeholders of the organization, determine the suitable social media that helps to communicate especially with organization's customers. It is good idea to consider crisis media training as the communication during crises has a specific template to go through and critical urgent goals to hit. Being alert with the last information

from the relevant and recognized sources whether internally or externally is essential to feed all social media platforms. Tell the truth and avoid to be defensive during the communication. It is not bad to get professional crisis communications support.

In addition, crisis management and communication affected by several influencing factors that shape the crisis management strategy. Among others is cultural factor, establishing conducive culture that support open dialogue throughout the organization and actively encourage the involvement of managers with the employees is recommended to reinforce the organization's ability to deal with unforeseen crises. As the organizational culture plays a determinant role in the way the organization respond to the unexpected incidents, the institutional factor also carry weight to direct the firms on how to respond to the crises. Well! it is a fact that the regulatory and legal constraints guide, in some situations, the strategies implemented by the organization to mitigate the crises. Beside to the institutional as an external factor, the behavioral factors come as an internal factor that plays role too, talking about behavioral factors includes politics that figure the way through which individuals and groups interact and cooperate within the organization. Last but not least, environmental factors come as factor that emphasis on the impact of economic condition, societal and technological realities.

Moreover, leaderships mindset, and here we are referring not only to the top management leadership rather the

term includes all levels of leaderships within the organization, more specifically crisis management team. Yes, having a strategic mindset of leadership is critical to execute and play the expected role where some attributes are really needed to figure out the best options to be implemented. Furthermore, it is important to own the abilities to conduct meta-analysis of strengths, weaknesses, threats, and opportunities produce by each situation, although the crisis defined as unfavorable case, it is also bringing some chances and opportunities to grab. Of course, point out the chances and opportunities are not advantage without the ability to make use of that favorable circumstances to grow and survive. The decision makers strongly need to build the strategies that help to avoid internal and external pitfalls to move ahead. Undeniably, the willingness to go for difficult and challenging option help the organization to be further step in the market.

After one year of Covid-19 pandemic, it could be concluded that, regardless of the threaten that attack the world, there are some opportunities and strength enclosed this pandemic represented by new platform of conducting business using soft platform which reduced a lot of the capital need to be invested to carry on any business, this ultimately, reduce the risk of failure. Supply chain structure, also, adjusted to accommodate other parties which create more opportunities to involve in business and offered some working chances, for instance, food delivery and the related technology, e-wallet. Such sectors are among the agenda of the government to be implemented to shift to the digital era and create digital cities, however, the implementation and usage of these technology started fast as, if we could say, one of advantage of this pandemic.

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8 Marketing Trends to Watch in the Second Half of 2021

..... by CEDAR Research Team



As companies prepare for the rollercoaster of holidays that mark the end of the year (Christmas, New Year), it is important to outline and explain some of the marketing trends that will prove helpful. Brands in 2021 are not just trying to build fantastic products, though that should be a given. Instead, they are trying to build authentic connections with customers.

As the world makes a slow, gradual recovery from COVID-19, marketers have learned that customers are more in tune with brands that relate to their situations and desires. Some brands already have a head start this year by taking advantage of these trends. However, if you haven't already integrated any of these trends into your strategy, you are not late. You can make an allowance for any of these within the next six months and reap good rewards.

These trends are not just 2021 fads, but strategies and tactics that will endure for the coming years.

1 Social Audio

If you need proof of history repeating itself, look no further than internet social audio. People from the 90s and early 2000s remember internet chat

rooms fondly. However, within the five years from 2010 to 2014, the major social networks AOL Instant Messenger, Yahoo Messenger, and MSN Messenger ended support for voice chat rooms.

Fast forward to the 2020s and social audio has made a ground-breaking return with the innovative Clubhouse app. Interestingly, even though Clubhouse is still in beta, it has over 10 million users already. Now, even already established social media networks are not left out in the game to capture their audience via live conversations and chat rooms.

On the back of Clubhouse' growth, Twitter launched its social audio feature called Spaces and Telegram introduced Voice Chats 2.0. More recently, Spotify launched Greenroom, while Facebook Live Audio Rooms just started rolling out.

Despite the setback that chat rooms suffered in the 2010s decade; the recent return of social audio reinstates the importance of intimate human associations that mediums like audio provide in a way that text doesn't. There are obvious challenges with marketing via a medium where the actions are so transient. However, audio rooms open up marketing opportunities for brands via

community events and sponsorships. Still, it remains to be seen what more surprises social audio has in store for marketers.

2 Marketing Automation

In the past few years, marketing teams have expanded their budgets for marketing automation as they seek to integrate new technologies to scale their efforts. Until marketing automation technologies went mainstream, marketers have tried to find a cohesive medium to seamlessly integrate marketing with sales.

However, one aspect of automation that has gained a huge boost over the past year is data-driven automation; this covers the use of artificial intelligence, machine learning, and data analytics tools to extract insights about one's audience to improve marketing strategy and tactics. The top marketing automation products in the market are data-focused. At year-end, data insights would prove very important in capturing leads as well as in more specific tactics such as cross-selling and upselling.

3 Video Content and Live Streaming

Lockdown restrictions last year resulted in an uptick in live activities, especially video live streams. Live videos are among the most engaging content types since the audience is present and connection happens in real-time. More so, people perceive live videos as more authentic and realistic because they are part of a real-time stream of action; therefore, a live content strategy reflects positively on any brand.

Already, according to a survey, 48% of marketers have committed to boosting their marketing budgets for video in 2021. One of the key features of the rise of live streaming is brands as entertainers as they recapture a significant part of their audience that previously relied on television but are now more online.



4 Influencer Marketing

Influencer marketing has been waxing strong for a couple of years, especially with the proliferation of micro-influencers on social media platforms. In 2021, the industry is expected to grow to about \$13.8 billion and remains firmly on course to even surpass this. For many businesses, 2021 is the first year they have had a dedicated influencer marketing budget, indicating the evolution of this form of marketing, breaking away from but still firmly integrated with social media and content marketing.

TikTok and Instagram Reels are emerging as the most common ways for influencers to connect with their audience via short, easily digestible and engaging videos. Many of these influencer videos combine entertainment and education to maintain the excitement of their audience. As more people demand authenticity for brands, micro-influencers would continue to be a huge pillar in the influencer marketing industry. Some of these partnerships are sometimes repurposed by brands for ads and marketing content on other platforms.

5 Brand Differentiation

This is an age when customers are spoiled for choice. In this kind of situation, what mostly informs customer decisions is their perception of the business brand. That is why the smartest businesses differentiate themselves with branding to connect with their customers better.

There is already an understanding that products are not just products; they represent experiences. Therefore, the most successful branding efforts are those that communicate the authentic experiences connected to the product. But good branding is also about adapting to the changing needs and experiences of consumers. These days, brands are not only known for products, solutions, and experiences but also personality, social values, and authenticity. Today, a brand needs to build an identity around trust, transparency, and credibility to be accepted, especially by the younger generations, Millennials and Gen Z.

6 Conversational Marketing

A high emphasis on brand relatability in the past few years has spurred growth in conversational marketing. The understanding is that no matter the tactics used by businesses to be more relatable, such as interactive content, social media strategy, or storytelling, nothing beats communicating with customers directly.



Most traditional marketing channels have been one-way, allowing brands to connect with their audience but not vice versa. Now, businesses are opening up new channels to allow their customers to communicate with them. Mind you, this is beyond the usual customer service complaints handling and whatnots. Conversational marketing aims at meaningful customer interaction via purposeful dialogues. The key to successful conversational marketing is to center the customer, their needs, wants, and desires, rather than the business or product. Marketers should not be in a hurry to capture information about leads, lest they risk 50% – 90% leaving the conversation prematurely. Of course, much has evolved in conversational marketing with the emergence of COVID-19, which has practically forced many brands to up their games in phone calls, SMS, social messaging, and chatbots in engaging customers.

7 Community (-based) Marketing

It has become more important now than ever to have strong communities. Word-of-mouth marketing is the oldest form of marketing and frankly, still the most potent. By building strong communities to pass the word about your products and services around, you are tapping into an age-old idea that relationships based on shared connections are the strongest.

Some marketers shy away from committing to community marketing because it is one tactic that is not more relationship-focused than acquisition-focused. However, the real advantage of communities is that it makes ambassadors out of loyal customers. You may not be able to quantitatively track the gains, but the gains are present nonetheless. Digital communities serve various needs and community marketing is one that truly forces marketers to invest in people, rather than channels.

8 User-Generated Content

Another growing strategy for building authentic connections

with your audience is by encouraging user-generated content. This is often a precursor to or a product of strong communities. So, this point is strongly connected to the previous section.

For one, user-generated content influences the purchasing decisions of 90% of shoppers. Much of this is due to the authenticity that UGC provides by 'humanising' the brand.

For once, individuals can view a brand and its products from the lens of other human beings. If this perception is positive, it brings new customers.

This form of social proof has proved highly effective. To take advantage of UGC as a brand, you should engage and amplify content shared by users to encourage other people to get involved. For instance, when planning your year-end discount sales, including a contest to push a compelling narrative will help to propel your brand widely. Besides, remember that your role in UGC strategy is to plan; let customers tell their stories and drive the campaign. Of course, you need to watch the campaign patterns for insights on improving your brand aspects.

In essence, change and adaptation are part of life, nonetheless that of marketers, one of whose unsung duties is watching the trends of market behaviours, customer habits, and technological adoption, and then integrating insights from these trends to refine their strategy for greater success.

At this point, marketers should have left the chaos of 2020 behind and now look forward to opportunities to scale their efforts within the remainder of the year and beyond. Hopefully, these trends would drive marketers, brands, and business leaders to adopt more purposeful marketing.

Source: www.business2community.com

BUSINESS ALERT

by Corporate Planning

OIL, GAS AND ENERGY (Average USD 71.05 / Brent Crude)



OUTLOOK: NEUTRAL

- Petronas has announced that the East Cendor field in Block PM304, offshore Malaysia, has achieved first oil production. East Cendor represents the fourth start up in a series of developments at Block PM304, including the Cendor, West Desaru, and Irama assets. The project comprises the development of a single new wellhead platform and the installation of a new four mile pipeline linking the field to the existing FPSO Cendor. The field's production rate is expected to peak at over 7,000 barrels of oil per day, which will further extend the economic life of Block PM304.
- Block PM304 started as a small field development with first production from the Cendor field back in 2006. However, the total oil-in-place volume grew through continuous efforts in appraising the block's potential, which turned out to be large. Known for its light and sweet quality, Cendor crude was billed as the most expensive in the world at one time. With the success of East Cendor, more active development activities are expected in the future to monetize the large remaining resources within Block PM304.
- This success is a testament of the close collaboration amongst all the parties, including the local Malaysian fabricator and service providers, who have stepped up to the challenge of these unprecedented times. East Cendor was developed by Petrofac (Malaysia) Limited, Kuwait Foreign Petroleum Exploration Company, and Petronas Carigali Sdn Bhd under the Block PM304 Production Sharing Contract. Petrofac is the operator of the block.

BUSINESS SERVICES



OUTLOOK: NEUTRAL

- The Port of Tanjung Pelepas (PTP) is the only port listed in the world's 20 best ports that recorded an increase in its ranking for the year 2020. PTP's encouraging performance was due to the success of the port which recorded a growth rate of 8.5 per cent for last year. For last year, PTP handled 9.8 million 20-foot equivalent units (TEUs) and for this year we will be able to handle almost 11 million TEUs. Based on the performance shown in the first six months of this year, a double-digit increase is expected by the end of the year. The port's success was remarkable as the entire world has been experiencing difficulties due to the Covid-19 pandemic since last year.
- Despite the pandemic, PTP managed to record an impressive growth rate of 8.5 per cent, which is the highest growth rate based on last year's rankings. This will assist us to compete not only with regional ports, but also in making history as last year we were ranked at 15th while Port Klang is ranked at 12th. Aside from China, Malaysia is the only Asian country that has two ports listed on the list. The port is one of the industrial sectors that has not stopped its operations since the movement control order (MCO) started in March last year to ensure that there are no supply problems domestically.

TOURISM



OUTLOOK: NEGATIVE

- Restaurant, hotel and sports facility operators welcomed the government's decision to allow them to resume their respective operations and allow those who are fully vaccinated to partake in social activities effective immediately. In the Klang Valley, around 85 per cent of workers have been vaccinated, with 50 per cent having completed both shots. According to Malaysian Association of Hotels (MAH), although the relaxation covers only states under Phase Two and beyond of the National Recovery Plan (PPN), it is a significant step forward not just for the tourism industry but also the country as a whole.
- Allowing dine-in at restaurants, as an example, is expected to benefit hotels, particularly those certified Clean and Safe by Bureau Veritas Certification Malaysia (a proprietary hygiene and safety label for hotels by MAH) that had since its inception included ventilation, airflow as well as seating arrangements as part of its safety and health guidelines for restaurants within the hotels.
- The overall high compliance of SOPs by hotels is an added assurance to the general public that it is safe to dine and even stay whether it is just for a short staycation or for any other travel purposes. Another proposal by MAH, which had been presented to the Minister of Tourism, Arts and Culture earlier this year, is to allow fully vaccinated persons to travel between districts and states with added controls of confirmed hotel bookings and itineraries that can be monitored by hotels.

HEALTHCARE



OUTLOOK: NEUTRAL

- Kobay Technology Bhd intends to expand its geographical footprint by venturing into the pharmaceutical and healthcare segment over the next three years. The plan follows its proposed acquisition of a 70% stake in Avelon Group. Kobay is looking to enhance its earnings visibility and sustainability by diversifying into the healthcare industry, besides having its current business divisions namely manufacturing and property. The company wants to focus on its existing business of wholesale and retail sale of pharmaceutical and healthcare products while growing vertically to manufacture health food and supplements.
- They intend to acquire related pharmaceutical and healthcare businesses over the next three years when an opportunity arises. Kobay is always on the lookout for opportunities that will add value to our core manufacturing business. Last month, the group received the green light from its shareholders to acquire a 70% stake in Avelon for RM47.7 million. According to its exchange filing, Kobay received shareholders' nod to diversify its core activities and its subsidiaries to include the sale and manufacturing of pharmaceutical and healthcare products.
- Avelon Group comprises Avelon Healthcare Sdn Bhd, Galaxis Healthcare Sdn Bhd, Avelon Arise Sdn Bhd, Galaxis Pharma Sdn Bhd and Arise Healthcare Sdn Bhd. The five entities reported a combined profit after tax (PAT) of RM8.5 million in their financial year ended Dec 31, 2020 (FY20). The proposed acquisition is expected to be completed in mid-August this year. The acquisition comes with an aggregate profit guarantee of RM25.5 million PAT for three years (FY20-FY23), or an average of RM8.5 million per year.

COMMUNICATIONS CONTENT AND INFRASTRUCTURE



OUTLOOK: NEUTRAL

- The Malaysian government has made great strides in levelling the playing field for SMEs, with initiatives such as the National e-Commerce Strategic Roadmap (NESR) 2.0, MyDIGITAL and the Malaysia Digital Economy Blueprint. One key strategy is to establish Malaysia as a regional and global e-fulfilment and transshipment hub to facilitate cross-border e-trade in the region while driving the exports of Malaysian SMEs via e-commerce.
- In support of Malaysia's ambitions and growing digital economy, Alibaba Group Holding Ltd, in partnership with the government, launched the eWTP (Electronic World Trade Platform) in 2017. The platform delivers comprehensive support through five key pillars: e-commerce (domestic and cross-border), mobile payment, cloud computing, smart logistics and training of human talent.
- An Alibaba-led initiative, the eWTP envisions a more inclusive way to extend the benefits of globalisation. Endorsed by the G20, the platform brings together stakeholders from the private and public sectors to help break down barriers to international trade. The platform has created eWTP hubs around the world that together form a global network for cross-border, digitally-powered trade. There are currently nine hubs - four in China (Hangzhou, Hainan, Hong Kong and Yiwu), as well as in Malaysia, Thailand, Ethiopia, Rwanda and Belgium.

WHOLESALE AND RETAIL



OUTLOOK: NEGATIVE

- Malaysia's wholesale and retail trade fell 10.3% year-on-year (y-o-y) to RM92.2 billion in June, dragged by the motor vehicles sub-sector. On a month-on-month basis, the sales value decreased 14.8% from May. Comparatively, the country's wholesale and retail trade in June 2020 recorded a y-o-y growth of 21.8%. June growth was the lowest so far this year, as Malaysia went into total lockdown amid worsening Covid-19 cases.
- The motor vehicles sub-sector suffered the most, plunging 92.4% or RM11.2 billion to register only RM0.9 billion worth of sales. Subsequently, retail trade dropped 2.9% or RM1.2 billion to RM40.6 billion. On the other hand, wholesale trade grew 3.6% or RM1.8 billion to reach RM50.7 billion. The abysmal performance in the motor vehicles sub-sector was due to a 94.8% or RM6.4 billion fall in the sale of motor vehicles to RM0.3 billion.
- This was followed by the sale of motor vehicles parts & accessories which dropped 88.2% to RM0.3 billion. Similarly, maintenance & repair of motor vehicles decreased 89.6% to RM0.2 billion followed by sale, maintenance & repair of motorcycles which fell 92.3% to RM0.1 billion. For month-on-month comparison, sales of this sub-sector also registered a significant drop of 92%.

A Bumpy Recovery Path Lies Ahead for SMEs

By Strategic Credit & Economic Analytic (SCEA)

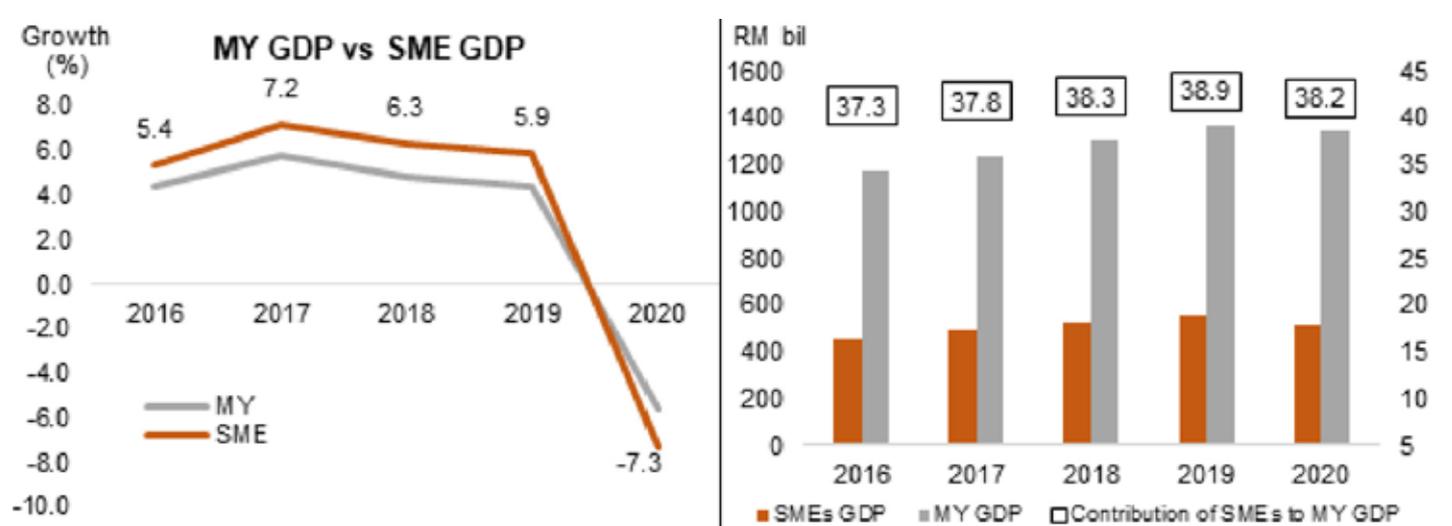
The latest publication by the Department of Statistics Malaysia (DOSM) showed that the SME sector's performance fared worse than the country's growth in 2020. It plunged 7.3%, sharper than the national GDP of 5.6%, the first time since 2004. Notably, the Movement Control Order (MCO) and several re-impositions of MCOs since the onset of the pandemic, aimed at containing the spread of Covid-19, have caused severe and scarring impacts on the Malaysian economy, especially on SMEs. According to the Ministry of Entrepreneur Development and Cooperatives (MEDAC), SMEs' estimated losses stood at RM40.7 billion in 2020 (3.0% of the country's GDP).

SME activities for the Services sector tumbled 9.2% (2019: +7.5%). Amid sluggish sentiment, the Wholesale and Retail Trade,

Food and Beverages and Accommodation sub-sector also charted a decline of 7.8%. Meanwhile, the "Finance, Insurance, Real Estate & Business Services" and "Transportation & Storage and Information & Communication" sub-sectors nosedived 10.6% and 11.4%, respectively. Given customer-facing nature, the Services sector would naturally suffer the most amid the "on-off lockdowns". We note that the Services sector accounted for 62.1% of the total SMEs' GDP vis-à-vis 57.7% of Malaysia's GDP in 2020, indicating that MCOs have greater impact on the SME sector. Although SMEs' contribution to the national GDP was lower at RM 513 billion or 38.2% in 2020 (2019: RM554 billion or 38.9%), SME activities have consistently made up more than a third of Malaysia's GDP.

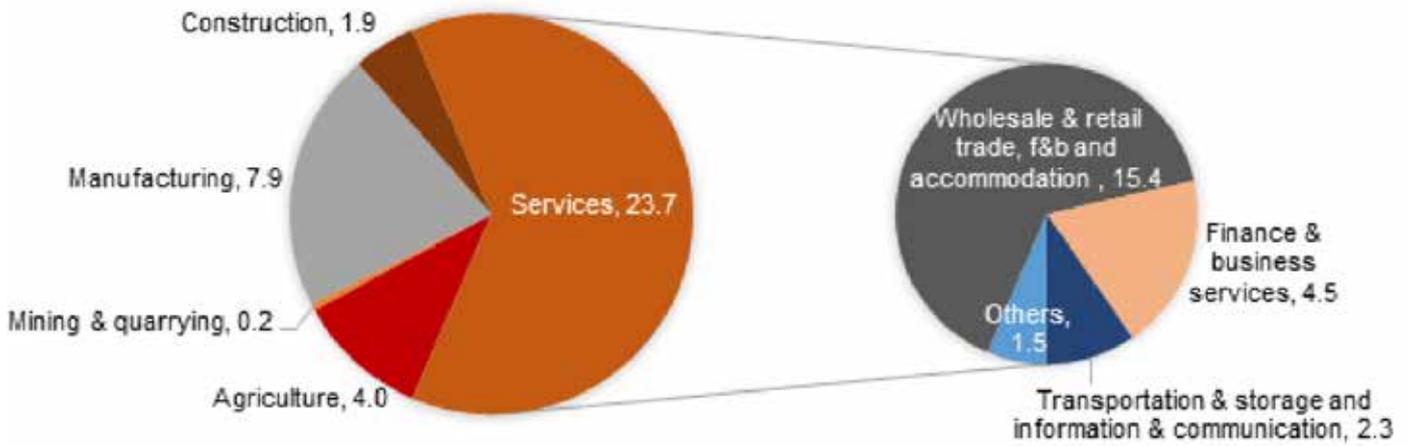
According to SME Association of Malaysia, some 100,000 companies have ceased operations between March 2020 and May 2021. MEDAC has also stated that approximately 580,000 businesses (49% of SMEs) are on the brink of collapsing by October if operations are still not permissible by then.

In view of the dire situation, the government has recently relaxed restrictions for fully inoculated individuals in states that have migrated to Phase 2 or 3 under the National Recovery Programme (NRP). Dine-ins at restaurants and tourism activities involving homestays and hotels within the same state are expected to partially ease SMEs' predicament. The government is now banking on the completion of vaccination programme



Sources: Department of Statistics Malaysia and SME Bank SCEA

SMEs' Contribution to MY GDP in 2020 (%)



* Exclude import duties: 0.4%
Source: DOSM and SME Bank SCEA

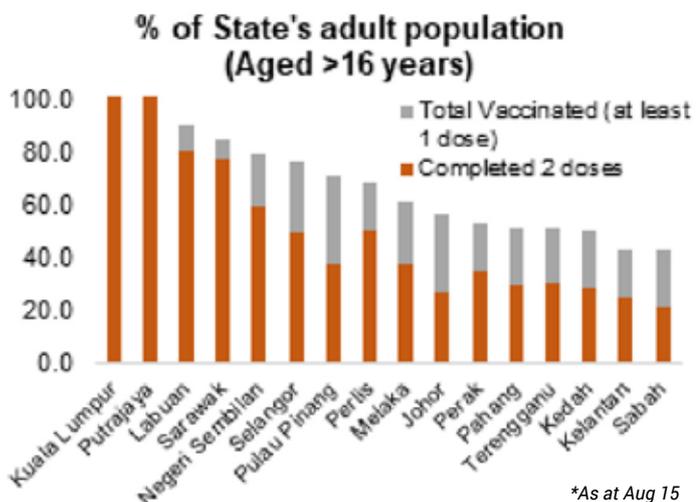
in the country to reach 80% level and achieve herd immunity to slowly re-open the economy in 4Q 2021. While we view positively the ramp-up of vaccination rate as it bodes well for the economy, business sentiment on the ground might not reflect these initiatives in the near term, considering the rampant spread of the deadlier Delta variant. Business Conditions Index by the Malaysian Institute of Economic Research showed a drop of 24.3 points to 87.5 points this quarter, below the threshold level since 4Q 2020.

We remain cautious on the recovery momentum, given states that are still under Phase 1 of the NRP, namely Kuala Lumpur, Selangor, Negeri Sembilan, Kedah, Johor and Melaka, are experiencing a

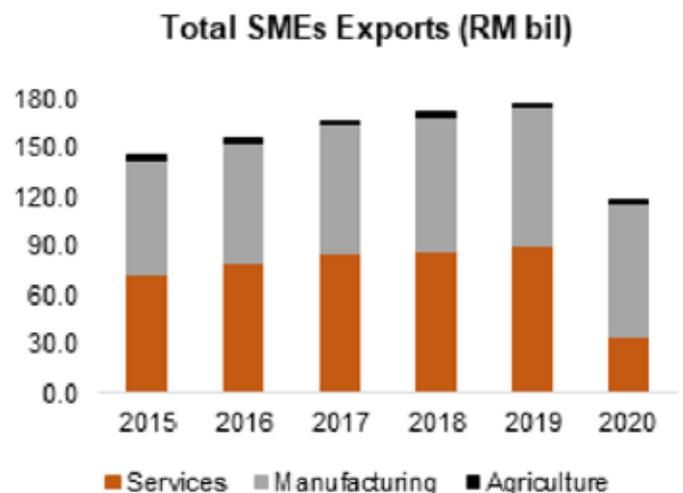
spike in infection cases. These states make up 59.9% of the national GDP. Uneven economic recovery will still linger, with growth predominantly coming from large corporations.

While export-oriented manufacturing industries have been the main driver of Malaysia's economic recovery in 2021, risks are tilted to the downside if recovery momentum slows in advanced countries and global demand loses steam. Traditionally, half of SMEs' exports are made up of services related trades such as finance, transport, law and tourism. As such, not only did SMEs' exports not benefit from firmer global demand, it deteriorated 33.1% to RM117.8 billion in 2020 (23.0% of SMEs GDP). It is unlikely to rebound should the country's borders remain closed.

The prolonged lockdown and business restrictions during several MCOs had dried up SMEs' cash reserves and impeded revenue generation activities. Business owners had to rationalise their manpower to contain fixed costs, albeit the government's wage subsidy programme under various stimulus packages that could in part alleviate the brunt of job cuts. In 2020, SMEs employment declined by 65,000 persons. Most surviving businesses have scaled down their operations and we foresee this situation to last until 2022. Nonetheless, we are confident that SMEs are resilient and will regain their footing as the economy gradually re-opens. SME Bank has been and is always ready to provide financing facilities to help businesses with their liquidity needs.



*As at Aug 15



Source: DOSM, Jawatankuasa Khas Jaminan Akses Vaksin COVID-19 and SME Bank SCEA

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pemasaran. Jadi saya fikir mengapa tidak saya menggunakan pengalaman untuk jadinya lebih serius. Alhamdulillah berbekalkan pengalaman yang ada, meskipun baru setahun lebih beroperasi, sehingga kini, syarikat kami yang mempunyai 15 orang 'team' pemasaran telah berjaya mendapat kepercayaan dengan nilai RM15 juta transaksi. Apa yang penting adalah bagaimana kami berjaya membantu pelanggan-pelanggan yang mendapatkan khidmat pengiklanan ini menjana jualan berlipat kali ganda daripada modal pemasaran yang dikeluarkan.

Apakah kelebihan syarikat pemasaran anda dan bagaimana anda memasarkannya?

NF Media membawa produk dan jenama pelanggan untuk mendapatkan tempat bagi siaran langsung di televisyen. Kaedah pemasaran melalui televisyen ini telah lama ada. Bagi program bual bicara setiap pagi di TV1 dan TV3, Malaysia Hari Ini, Wanita Hari Ini pastinya akan diselitkan beberapa slot untuk pengeluar produk dan pemilik perniagaan membuat promosi produk mereka dan dengan cara inilah NF Media dapat meningkatkan jualan produk pelanggan mereka.

Newsfeedmedia memberi fokus kepada pemasaran luar talian yang mempunyai potensi lebih meyakinkan pelanggan berbanding pemasaran dalam talian. Newsfeedmedia merupakan syarikat yang berdaftar di bawah Kementerian Komunikasi dan Multimedia Malaysia (KKMM) serta semua stesen televisyen, radio, akhbar dan semua medium pengiklanan secara luar talian (offline).

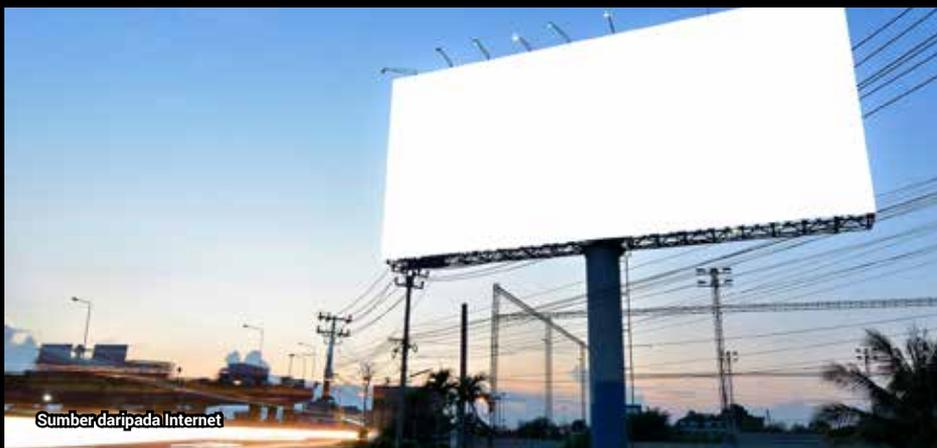
Dengan pemasaran luar talian, pelanggan mampu memperolehi kepercayaan luar biasa. Platform ini juga meningkatkan kredibiliti jenama kerana mampu mencipta jenama apabila dipaparkan di media-media arus perdana. Melalui pemasaran luar talian ini, kesahihan tentang produk ditawarkan pelanggan

Pemasaran atau lebih dikenali sebagai 'marketing' amatlah diperlukan pada masa kini oleh usahawan dan perniagaan sama ada yang baru bertapak mahupun dah lama. Fungsi pemasaran ini adalah untuk memperkenalkan jenama dan perniagaan agar lebih ramai yang tahu tentang kewujudan produk mereka. Ketua Pegawai Eksekutif Newsfeedmedia, Norzira Syarini Mohammed Pauzi berkata NF Media mempunyai strategi pemasaran tersendiri dimana, NF Media membawa produk dan jenama pelanggan untuk mendapatkan tempat bagi siaran langsung di televisyen.

Bolehkah anda kongsi latar belakang perniagaan anda?

Syarikat kami didaftarkan sejak Januari 2020 ketika saya berdepan situasi sukar setelah diberhentikan kerja berikutan syarikat sebelum ini bertindak mengurangkan kakitangan. Keadaan ketika itu agak mendesak kerana komitmen bulanan yang tinggi dan akhirnya idea operasi syarikat tercetus setelah mengambil kira pengalaman selama 12 tahun dalam bidang media.

Sebelum ini saya biasa dengan kerja-kerja melibatkan liputan media dan



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ini akan lebih jelas dan meyakinkan pelanggan mereka.

Boleh anda kongsi pencapaian syarikat anda?

Meskipun tidak sampai dua tahun bertapak, syarikat agensi pengiklanan, penjenamaan dan pemasaran, Mediakey Group Sdn Bhd (Newsfeedmedia) bukan sahaja telah berjaya mencipta nama mereka sendiri, bahkan telah membantu lebih 300 syarikat lain membina jenama dan meningkatkan jualan perniagaan.

Pencapaian itu memberi manfaat besar buat peniaga-peniaga yang berdepan cabaran ketika pandemik Covid-19 melanda dunia ketika ini. Syarikat kami turut bertindak sebagai penasihat pemasaran dan kami suami isteri menguruskannya bersama-sama. Terdahulu, kami berdua mempunyai bidang kerjaya masing-masing namun

memilih untuk membangunkan syarikat ini bersama dengan matlamat membantu lebih ramai usahawan dan peniaga mengembangkan lagi potensi produk.

Alhamdulillah, baru-baru ini saya menjadi antara 100 Penerima Anugerah CEO Muda Terbaik dalam Media dan Industri Pengiklanan 2020. Saya berasa amat bangga dan terharu apabila pelanggan saya yang mempunyai produk diusahakan di luar bandar mampu meningkatkan potensi jualan setelah mendapatkan khidmat syarikat kami.

Boleh anda kongsi pengalaman termanis anda bersama pelanggan serta aspirasi perniagaan anda?

Saya tidak akan lupa ketika membantu seorang pengusaha industri kecil dan sederhana (IKS) dari kampung yang berusaha kumpul modal untuk pemasaran di televisyen, akhirnya impak daripada

itu produknya dikenali dan mendapat permintaan yang tinggi. Pengusaha itu datang peluk saya dan menangis kerana pencapaian itu. Syarikat kami akan sentiasa sedia membantu usahawan baharu bahkan menawarkan khidmat nasihat percuma sebelum pengiklanan dijalankan. Kami akan memberi nasihat dan strategi kepada mereka ini agar lebih bersedia sebelum membuat pemasaran. Kami akan pastikan pelanggan berupaya memenuhi permintaan impak daripada pemasaran, kerana ini akan membantu mereka meningkatkan jualan. Ada pelanggan kami yang berjaya menjana hasil jualan tahunan sehingga RM180 juta pada tahun lalu.

Suami saya yang juga Pengarah Urusan Mediakey Group Sdn Bhd, Mohd Afiq Abu Hasan juga berkongsi pihak kami sedar pandemik Covid-19 yang sedang berlaku kini menjejaskan begitu ramai usahawan dan peniaga. Namun beliau juga percaya bahawa golongan usahawan yang terus membuat pemasaran ketika krisis ini mempunyai potensi kejayaan yang luar biasa.

Mengenai sasaran jangka panjang syarikat, kami mahu meletakkan Newsfeedmedia sebagai pakar dalam pengiklanan luar talian seterusnya mengembangkan lagi potensi syarikat dengan menyediakan kemudahan lengkap sebagai agensi pengiklanan 'one stop center'. Kami juga tidak pernah berhenti belajar untuk perbaiki lagi pengetahuan dalam bidang ini. Kami mahu jadikan perniagaan ini sebagai satu legasi yang boleh diwarisi, mempunyai cawangan di setiap negeri dan wisma yang lengkap dengan kemudahan semua jenis pengiklanan.

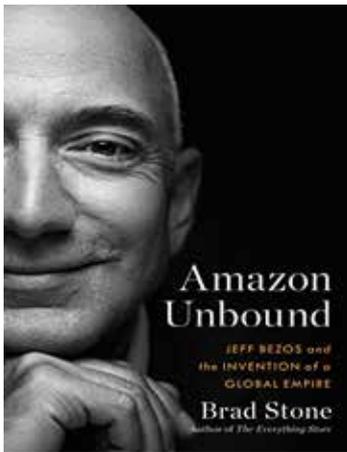
Sumber: Sinar Harian



Sumber daripada Internet



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Author : Brad Stone
Pages : 496 pages
Publisher : Simon & Schuster

Amazon Unbound: Jeff Bezos and the Invention of a Global Empire

Almost ten years ago, Bloomberg journalist Brad Stone captured the rise of Amazon in his bestseller *The Everything Store*. Since then, Amazon has expanded exponentially, inventing novel products like Alexa and disrupting countless industries, while its workforce has quintupled in size and its valuation has soared to well over a trillion dollars. Jeff Bezos's empire, once housed in a garage, now spans the globe. Between services like Whole Foods, Prime Video, and Amazon's cloud computing unit, AWS, plus Bezos's ownership of *The Washington Post*, it's impossible to go a day without encountering its impact. We live in a world run, supplied, and controlled by Amazon and its iconoclast founder.

In *Amazon Unbound*, Brad Stone presents a deeply reported, vividly drawn portrait of how a retail upstart became one of the

most powerful and feared entities in the global economy. Stone also probes the evolution of Bezos himself—who started as a geeky technologist totally devoted to building Amazon, but who transformed to become a fit, disciplined billionaire with global ambitions; who ruled Amazon with an iron fist, even as he found his personal life splashed over the tabloids.

What made this book interesting is the author's research on Jeff Bezos himself, even as he shuns personal publicity and is somewhat of an enigma. It is difficult not to admire a man who created a colossal empire from so little. There is all the usual Amazon stuff but it is freshened up and is presented in informative and interesting chapters. The reader's attention does not waver. This is not your usual "how to succeed in business" type of book.

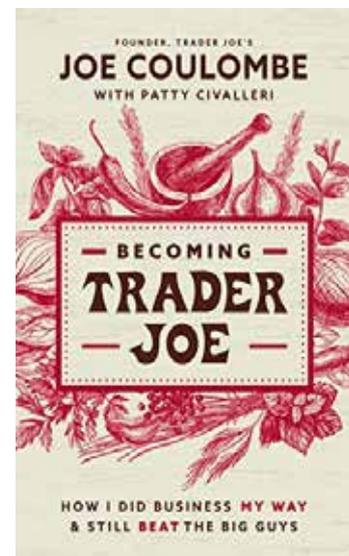
Becoming Trader Joe: How I Did Business My Way and Still Beat the Big Guys

Build an iconic shopping experience that your customers love—and a work environment that your employees love being a part of—using this blueprint from Trader Joe's visionary founder, Joe Coulombe. Infuse your organization with a distinct personality and culture that draws customers in a way that simply competing on price cannot.

Joe Coulombe founded what would become Trader Joe's in the late 1960s and helped shape it into the beloved, quirky food chain it is today. Realizing early on that he could not compete and win by playing the same game his bigger competitors were playing, he decided to build a store for educated people of somewhat modest means. He brought in unusual products from around the world and promoted them in the Fearless Flyer, providing customers with background on how they were sourced and their nutritional value. He also gave the stores a tiki theme to reinforce the exotic trader ship concept with employees wearing Hawaiian shirts.

In this way, Joe laid down a blueprint for other business owners to follow to build their own unique shopping experience that customers love, and a work environment that employees love being a part of. In *Becoming Trader Joe*, Joe shares the lessons he learned by challenging the status quo and rethinking the way a business operates. He shows readers of all types:

- How moving from a pure analytical approach to a more creative, problem-solving approach can drive innovation.
- How finding an affluent niche of passionate customers can be a better strategy than competing on price and volume.
- How questioning all aspects of the way you do business leads to powerful results.
- How to build a business around your values and identity.



Author : Joe Coulombe & Patty Civalleri
Pages : 288 pages
Publisher : HarperCollins Leadership