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Hard selling Malaysian

THERE are several reasons why Malaysian household products are not doing as well as foreign products, even when they are of the same or even better quality. The lack of promotional and advertisement campaigns is a major reason, and this can be attributed to the unwillingness of companies to set aside such investments because they are expensive. Also, when trying to penetrate markets overseas, many local companies still expect the Malaysian trade network abroad, including the Malaysia External Trade Development Corp, to perform miracles for them and make their products best-sellers.

The success of a product in the marketplace hinges on lots of hard work and maybe a little bit of luck. Even the national car Proton, which has won many international acclaims and is being exported to markets in developed and developing countries, started making waves only after years of promoting the car to prospective buyers overseas, from the UK to Russia. The Government did a lot of "selling" for Proton, especially during trade missions, and that partly helped built the foundation for the car's success in later years. But big-time success came later: the decision by the late Tan Sri Yahya Ahmad to buy Lotus not only provided the Malaysian car with advanced British car technology but also, from the marketing point of view, gave it great positioning and image to rank among the top passenger vehicles in Britain. Now, Petroliam Nasional Bhd coming in as a major shareholder of Proton will further enhance the car's reputation, especially given the national oil corporation's involvement in engine manufacturing and the Formula One.

Certainly, household items don't have to go through such to sell well. However, to sit back and hope that products will sell just because they are locally made is silly. Malaysian consumers have grown more patriotic or nationalistic over the years but value-for-money is still a major consideration. Malaysian companies make, among other things, air-conditioning units, refrigerators, and ovens of equal standards in terms of quality and sophistication compared with Japanese, American or European brands but usually, despite the advantage of cheaper production costs, they are not priced competitively enough. Sometimes, they are even slightly more expensive than the more prestigious imports.

Problems faced by Malaysian household products exported to selected overseas markets can be more obvious. These products have to compete with cheaper locals and in some markets which are not very sophisticated, price advantage and not quality counts. Sometimes it is the Malaysian manufacturer who fails to respond to new challenges. For example, when Prime Minister Datuk Seri Dr Mahathir Mohamad ordered that a Malaysian trading house be formed in Johannesburg some years ago, some Malaysian-made electrical goods were put on display and had attracted quite a keen interest from some local retailers there. To their dismay, their orders for refrigerators did not arrive or took an extremely long time to get to them because the manufacturer back in Malaysia was having some financial and production problems. All efforts by the Government to try and build a good reputation for Malaysian made products, as far as these South African retailers were concerned, were lost then.

For both domestic and export markets, Malaysian manufacturers will need also to pay close attention to branding. Again success depends on aggressive advertising/marketing and clever positioning. Whether a

manufacturer focuses on one product and tries to ride on the brand, which is the Coca-Cola way to immense success, or emulate Virgin which has launched itself into a variety of products ranging from record shops to airlines and most recently telecommunications, knowing the markets and the consumers is imperative. For a Malaysian household product, or for that matter any Made-in-Malaysia good, to keep up with its foreign counterpart, the job does not get completed at the end of the production line.

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