

# MAR **MARKETING** WEEKENDER

ISSUE #383 AUG 2023



## POWER OF CREATIVE THINKING

We talk to ad legend Sonal Dabral

# popculture MARKETING WEEKENDER

COVER STORY

07

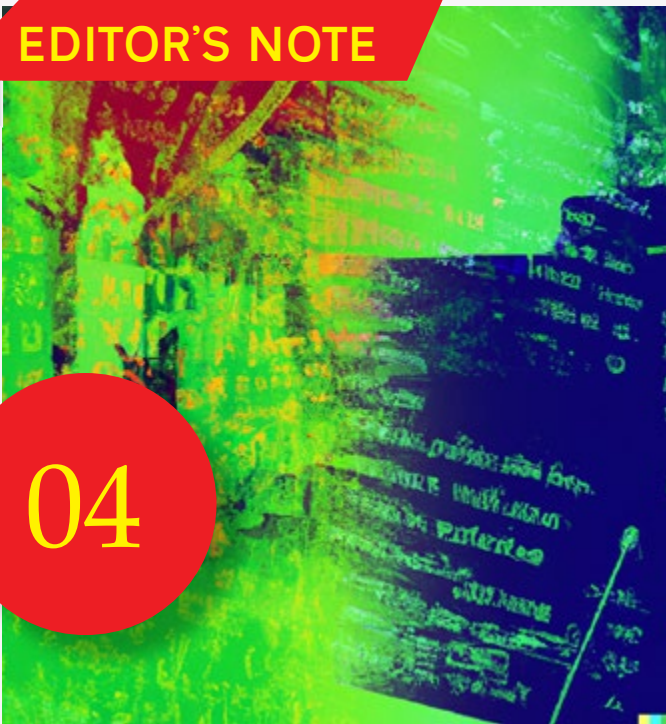


Sonal is in KL  
on Sept 20 and  
is sold out



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MARKETING WEEKENDER is published by Sledgehammer Communications (M) Sdn Bhd 22B, Jalan Tun Mohd Fuad 1, Taman Tun Dr. Ismail 60000 Kuala Lumpur, Malaysia. Tel: 603-7726 2588 ham@adoimagazine.com. www.marketingmagazine.com.my © All Rights Reserved By: Sledgehammer Communications (M) Sdn Bhd (289967-W) No part of this magazine may be reproduced in any form without prior permission in writing from the publisher. While every effort has been made to ensure the accuracy of the information in this publication, the publisher assumes no responsibility for errors, omissions and/ or for any consequences of reliance upon information in this publication. The opinions expressed in this publication do not necessarily represent the views of the publisher or editor. Advertisements are the sole responsibility of the advertisers. Cover photo by Raihan Hadi.



**“There’s nobody bigger or better at the military than I am.”**

**45th US President, Donald J Trump.**

**“The Reformasi movement fought for more than 20 years is a waste of time and energy. We were involved, we got tear gassed and arrested.”**

**PAS deputy president Tuan Ibrahim Tuan Man, claiming personal interests have taken over the goal of the reformasi struggle.**



**“Should the prosecution decide they will not proceed any further with the charges, much precious judicial time and tax payers money would have been wasted... with that this court stands adjourned.”**

**Justice Datuk Collin Lawrence Sequerah, making the Discharged Not Amounting to an Acquittal ruling for the Deputy Prime Minister’s 47 charges of criminal breach of trust, corruption and money laundering.**

**“The AG saw fit to proceed with the RM22 case, but discontinued the case against the DPM involving millions of ringgit.”**

**Bersatu’s Sasha Lyna Abdul Latif, referred to a 45-year-old unemployed man who pleaded guilty at the Kuala Terengganu Magistrate’s Court for stealing RM22 from the Pulau Sekati mosque.**





**THIS  
HEADLINE IN  
A RECENT  
ISSUE OF  
THE EDGE  
SCREAMED OUT  
AT ME.**

It is reported this is not the first time questions of such a nature had been raised at Maxis' shareholders' meetings, especially so after a recent EGM approving the agreement between DNB and Maxis for 5G.

Maxis began offering 5G to customers on Aug 15, 2023, is the last among six mobile network operators (MNOs) with access agreements with DNB to do so.

## EDITOR'S NOTE

# ... If Maxis were to merge with Astro, they still can't be larger than CelcomDigi...

With 5G in play, and Maxis offering existing customers with 5G phones who try out for free for one month by activating a 5G pass and/or choosing to pay RM10 extra a month, the game is getting exciting.

There's also talk of a second wholesale network for 5G happening early next year.

First, what's down for Astro in the first quarter ended April 30, 2023: Advertising revenue, subscriptions, share price value and dividend payouts.

Maxis and Astro come under Usaha Tegas, run by billionaire Ananda Krishnan who controls 62.26% of Maxis, along with

parties aligned to him, and also has a 41.29% interest in Astro.

His habit of unlocking value with privatisations and back-to-back partnerships with subsequent public flotation is not new.

This inevitably creates new efficiencies, that Astro may need to hold its own.

The elephant in the room is new super brand CelcomDigi.

If Maxis were to merge with Astro, they still can't be larger than CelcomDigi.

But there is much speculation of many other permutations moving forward.

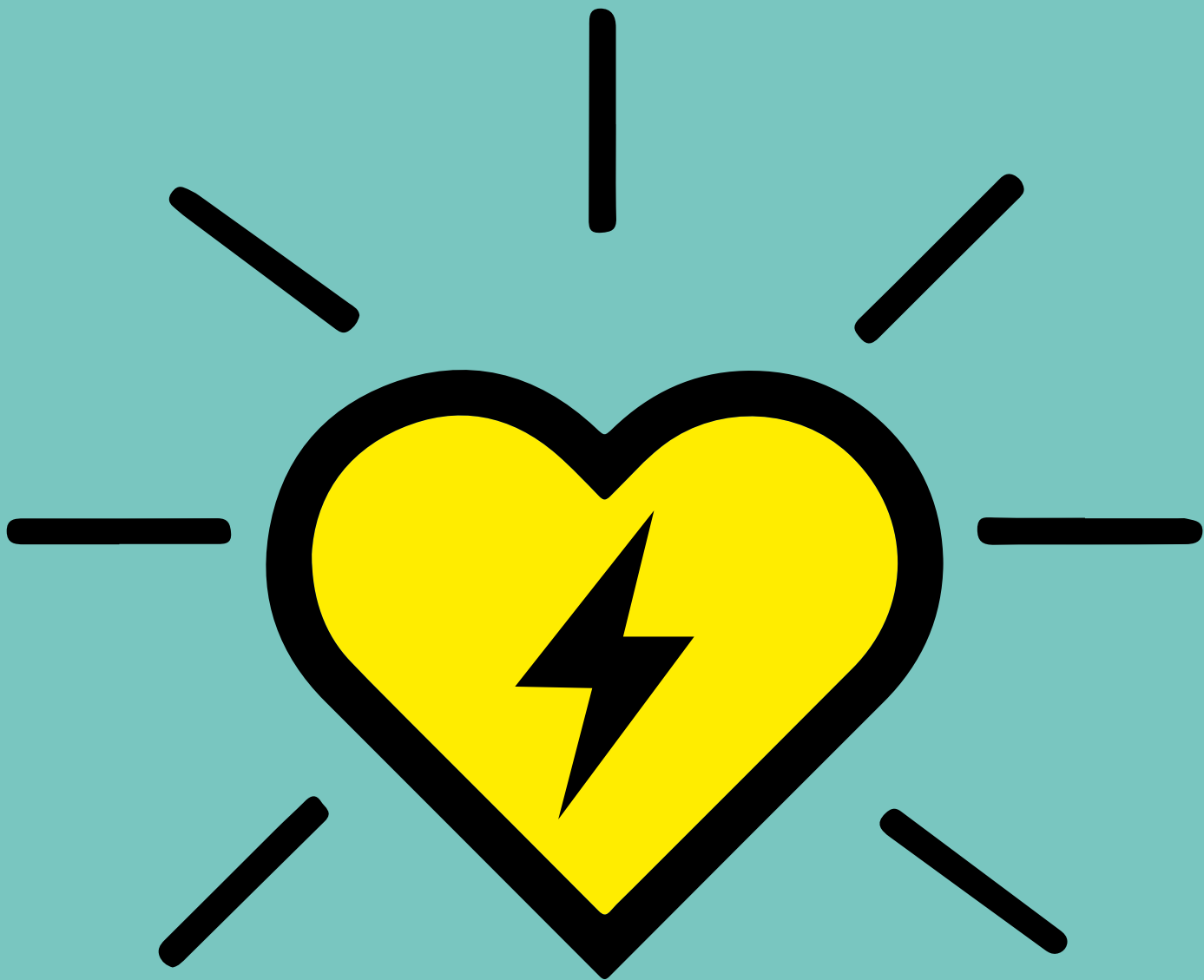
The Huawei Maxis' partnership could also rearrange the building blocks for a leading integrated communications and entertainment powerhouse.

With Generative AI, content and streaming screaming head on, a hybrid of AI, Telco and TV could be the final frontier for a communications gateway which evolves into a new telco and TV broadcast ecosystem.





# MarTech's Love-Hate with Media and Marketing



MALAYSIAN MEDIA CONFERENCE 2023

September 13

**TIME**

8.30 - 6.00 PM

**VENUE**

SIME DARBY CONVENTION  
CENTRE (SDCC)  
1A, JALAN BUKIT KIARA 1,  
60000 KUALA LUMPUR,  
MALAYSIA

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# Sonal is in KL on Sept 20 and is sold out

Sonal Dabral is many things - Film Director/ Creative Consultant/ Former Chief Creative Officer Ogilvy South and South East Asia/ IAA Creative Leader of the Year. Somewhere along the way he ran the Ogilvy offices in KL and Singapore and put them on the world map.

## COVER STORY

# ... Deeply passionate about advertising, blackjack and single malts...

Some of the fondest experiences I've had with Sonal is when he single-handedly created and directed some award-winning TVCs for my Malaysian Creative Circle (MC2) Awards:



A creative consultant based in Mumbai, Sonal is the former Chief Creative Officer of Ogilvy South and Southeast Asia. He recently went independent to pursue his love for long form storytelling, writing and film direction. Deeply passionate about advertising, blackjack and single malts, Sonal was born in India and studied Visual Communication at the National Institute of Design. Over a 30-year career, Sonal led agencies to global creative glory in three different markets across Asia.

He is also passionate about teaching and mentoring young creative talent and is a visiting faculty at some of the top institutes in India. He has been a coach at LIA's prestigious LIAisons mentorship programme and has also been a mentor twice at the 'See it Be it' programme at Cannes Lions.

A jack of all trades, in an earlier avatar Sonal has been a favourite TV host on prime time television. In November 2017, Sonal also debuted as a playwright when a play written by him was staged in Singapore. Sonal has just finished directing his first feature film. Based on Twinkle Khanna's original story

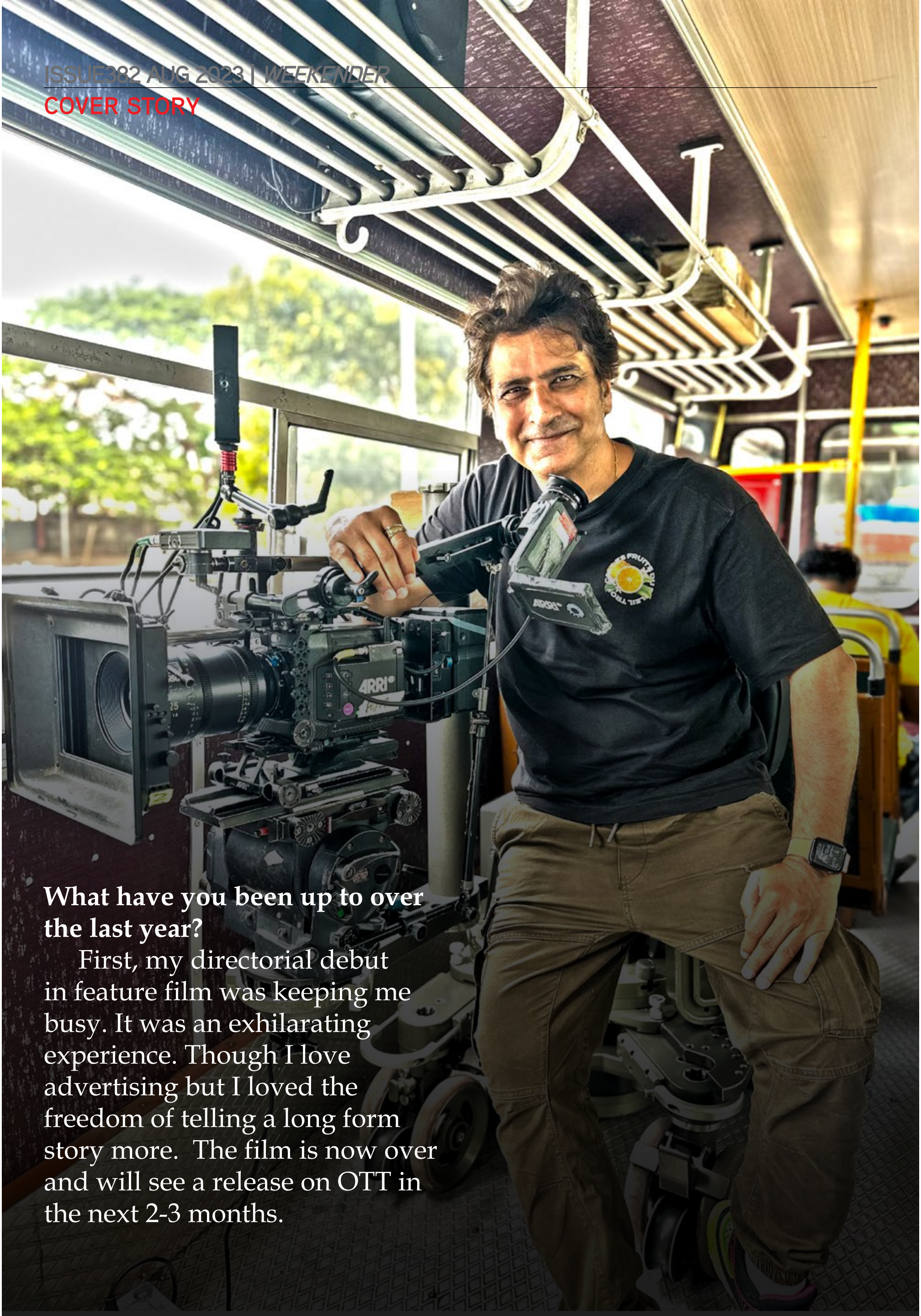


‘Salaam Noni Appa’ this film will see Sonal debut as a feature film director this year.

A popular speaker, Sonal has starred at major festivals and events and other speaking engagements across the globe. Sonal has been invited to speak at the LIA Conversations Las Vegas, Rebels and Rulers conference in Bucharest, Dubai Lynx, Kancil Fest Kuala Lumpur, Spikes in Singapore and Ad Stars Fest in Busan, Korea, amongst others.

He once successfully woke up a sleepy audience in Taiwan by singing an impromptu Bollywood song during a seminar. Sonal’s is also a respected jury member and has judged or chaired almost every major international and regional awards show including LIA, Cannes Lions, D&AD, the One Show, the ANDYs and Spikes Asia.

He was named the Direct Lions Jury President for Cannes Lions 2020!



**What have you been up to over the last year?**

First, my directorial debut in feature film was keeping me busy. It was an exhilarating experience. Though I love advertising but I loved the freedom of telling a long form story more. The film is now over and will see a release on OTT in the next 2-3 months.

## COVER STORY



Over the last year, I've also been focusing on various advertising projects, collaborating with different teams, and continuing to develop ideas for my next feature.

### **Do you miss working in advertising and in Malaysia?**

Without a doubt, I miss working in advertising and being in Malaysia. Malaysia was the first place where I ever worked out of India. People here are so warm they immediately

made me feel at home. I put together a small, brilliant and very motivated team and we created path breaking work to become one of the top 15 creative offices not only in Ogilvy but in the whole of WPP. Malaysia feels like a second home to me: the vibrant creativity and warm people make me feel welcome, and you can't better street food anywhere in the world.

### **Where do you see the creative compass pointing for ad people?**

The creative compass for ad people seems to be pointing towards more personalised and immersive experiences, embracing technology, and creating content that resonates deeply with the audience. We need to be also more agile and more creative than ever.

### **What do you wish to impart at your workshop in KL on Sept 20?**

I aim to impart practical insights on harnessing creativity, nurturing collaboration, and adapting to the evolving landscape of advertising. Based on my experience and lessons in creative thinking that worked for me. I have a bagful of

**COVER STORY**

examples to share. Some really enjoyable group exercises. Am really looking forward to it as I love meeting new people and to share all I have learnt over the years in three different markets. It will also be a great learning experience for me.

**What advice do you have for creative people?**

Never sit still. A creative mind should never ever rest. This is what I'd like to tell all creative people. My advice is to stay curious, push boundaries, collaborate across disciplines, and never stop learning. Love humanity because that's what gives you fresh perspectives. Also don't be afraid to fail. Just as a journey of a thousand miles starts with a single step, a journey of a thousand smiles starts with a grumpy failed face!

**Is there still such a thing as a Big Idea, in a social space peppered by a million headlines?**

Despite the constant influx of media and diminishing attention

span, the Big Idea still holds its significance. The only difference is you could now call it a big unifying idea under which you could light a hundred little fires so the audience is not only engaged but is always receiving a coherent and cohesive message.

**You led Ogilvy Malaysia and Singapore to global fame during your time in this region. Any advice how Malaysia can regain its footing on the global creative stage?**

Malaysia can regain its global creative stature by fostering a culture of experimentation, investing in emerging talent, nurturing local narratives, and fostering collaborations on a global scale.

**Is there a method to the Power of Creative Thinking?**

The Power of Creative Thinking involves embracing ambiguity, seeking diverse influences, and allowing ideas to incubate. Trust the process and create an environment where unconventional thinking thrives.

**KJ JADI DJ**  
di JOHAN, FARA FAUZANA & AG  
**bekpes hot**  
SETIAP ISNIN 7 PAGI BERMULA  
#KJjadiDJ

# Hot FM, Malaysia's number-one radio station

*Based on Nielsen's Consumer and Media View report, Hot FM has grown to capture the hearts of Malaysians through its innovative content and campaigns.*

Shah  
Hayatudin -  
Deputy Group  
Network  
Director of  
Media Prima  
Audio



Back in February 2023, Khairy Jamaluddin, the former Health Minister of Malaysia, embarked on an unexpected and riveting journey into the world of radio. This unanticipated voyage, carried under the banner of the "KJ Jadi DJ" campaign, has not only witnessed resounding digital success but has also earned accolades



from the discerning media and entertainment industry.

As a member of the dynamic “Bekpes Hot” show, alongside Johan, Fara Fauzana, and AG, KJ has infused the program with his distinctive charm and affable persona, rejuvenating its appeal and striking a deep chord with its dedicated listeners.

What sets “KJ Jadi DJ” apart is its remarkable string of accolades. The campaign initially clinched the prestigious bronze award at the Hashtag Asia Awards 2023, in the category

of Best Newsjacking or Real-Time Response. Following this triumph, “KJ Jadi DJ” continued its winning streak by securing the coveted gold award in the Digital and Social category at the APPIES Malaysia 2023. This achievement solidified the campaign’s profound impact in the digital realm.

Hot FM has consistently delivered outstanding content through innovative campaigns like ‘Piknik Bekpes Hot,’ ‘30 Hari 30 Masjid,’ and much more. These initiatives not only

## MEDIA PRIMA AUDIO



*AG (Hot FM Announcer), Nazri Noran (CEO of Media Prima Audio), Shah Hayatudin (Deputy Group Network Director of Media Prima Audio)*

entertained but also educated and engaged the audience, showcasing their commitment to diverse and exciting programming. Hot FM remains dedicated to improving content quality as they continue to

provide top-notch entertainment in the world of radio.

Contact us at [solutions@mediaprima.com.my](mailto:solutions@mediaprima.com.my), to discover how we can boost your brand with exciting and disruptive content.

THE  
MALKETEER  
STRIKES!



**BREAKING  
BOUNDARIES  
ALONE:**

**THE MIGHT OF MAVERICK SOLOPRENEURS  
IN ADVERTISING AND MARKETING**

## THE MALKETEER STRIKES!

### **The Technological Symphony: Soloists with a Digital Orchestra**

The canvas upon which modern advertising and marketing are painted is decidedly digital. From social media juggernauts to algorithmic search engines, a single individual now commands tools that previously demanded a full-fledged team.

Automated ad campaigns, data-driven insights, and analytics platforms have emerged as the foundation for a one-man show. With a symphony of algorithms, a soloist can compose tailored messages that reverberate across the digital soundscape, resonating with precisely defined target audiences.

### **Leveraging the Zeitgeist: A Personalised Touch**

In a world of mass-produced content, the personal touch of a maverick solopreneur stands out like a beacon amidst the noise. The modern consumer craves authenticity, a connection that transcends the superficial.

Herein lies the one-man's advantage - nimble and unencumbered by layers of

bureaucracy, they can infuse campaigns with their personal ethos. Authenticity, in turn, becomes their calling card, inviting engagement and loyalty from an audience that yearns for genuine connections.

### **The Confluence of Creativity and Data: A Force to be Reckoned With**

Data, once the exclusive domain of conglomerates with abundant resources, has become radically democratised. Through tools like Google Analytics and social media insights, the solo advertiser gains the ability to peer into the minds of their audience, understanding preferences and habits with an unprecedented clarity. This data-driven approach is not just analytical; it's an art form that merges creativity with insights, sculpting campaigns that are both compelling and informed.

### **Future Visions: The Rise of the Solo Empire**

As we glimpse into the future, the trajectory of the one-man business augurs transformational shifts. The digital world,

## THE MALKETEER STRIKES!

increasingly intertwined with our daily lives, is poised to reward creativity, authenticity, and adaptability.

The convergence of artificial intelligence and human ingenuity is yielding tools that amplify the capabilities of the individual. The solo entrepreneur becomes an empire of one, drawing from a virtual arsenal to craft narratives that transcend borders and cultures.

### **Social Media Influencers:**

Malaysia has a vibrant community of social media influencers who operate as one-person marketing powerhouses. Take the example of Jinnyboy, a Malaysian YouTuber and content creator. He started with a one-man team but leveraged the power of YouTube and social media to create engaging content for a local and international audience. His authenticity and creativity have allowed him to work with both local and global brands, showcasing the potential of solo marketing endeavours in the digital age.

### **Local E-commerce**

**Entrepreneurs:** In Asia, especially in countries like India, Indonesia, and Malaysia, there's a burgeoning community of e-commerce entrepreneurs who handle everything from product sourcing to digital marketing on their own. These individuals utilise platforms like Instagram, Facebook, and local e-commerce sites to sell unique and locally-made products. Their personal touch and authenticity resonate with consumers looking for distinctive items and stories behind them.

### **Food Bloggers and Reviewers:**

Malaysia is renowned for its diverse and delicious cuisine. Many solo food bloggers and reviewers have gained significant followings by sharing their culinary adventures and candid reviews. Their content often combines personal experiences with data-driven insights like restaurant ratings and food trends. These individuals have successfully turned their passion for food into one-person marketing and influencer

## THE MALKETEER STRIKES!

machines, impacting the choices of diners across the country.

### **Local Artisans and Craftsmen:**

Across Asia, there's a resurgence of interest in handmade and artisanal products. Solo entrepreneurs who craft unique items like traditional textiles, handmade jewelry, or organic skincare products are using digital marketing techniques to reach a global audience. By sharing their craftsmanship and stories online, they are attracting customers who appreciate the personal touch and cultural authenticity of their products.

### **Regional YouTube Cooking**

**Channels:** Culinary channels on YouTube are immensely popular across Asia. Many of these channels are run by individuals who not only showcase their cooking skills but also provide insights into local cuisines. For instance, 'Nasi Lemak Lover' from Malaysia has captured a substantial following by sharing her expertise in making traditional Malaysian dishes. Her channel not only promotes

Malaysian cuisine but also serves as a platform for engagement with viewers worldwide.

### **Local Fashion Bloggers and**

**Designers:** Asian fashion bloggers and designers often start as solo entrepreneurs, creating content and marketing strategies by themselves. Their unique styles and insights into local fashion trends have attracted followers and collaborations with local and international fashion brands. These individuals are not only influencers but also trendsetters in their regions.

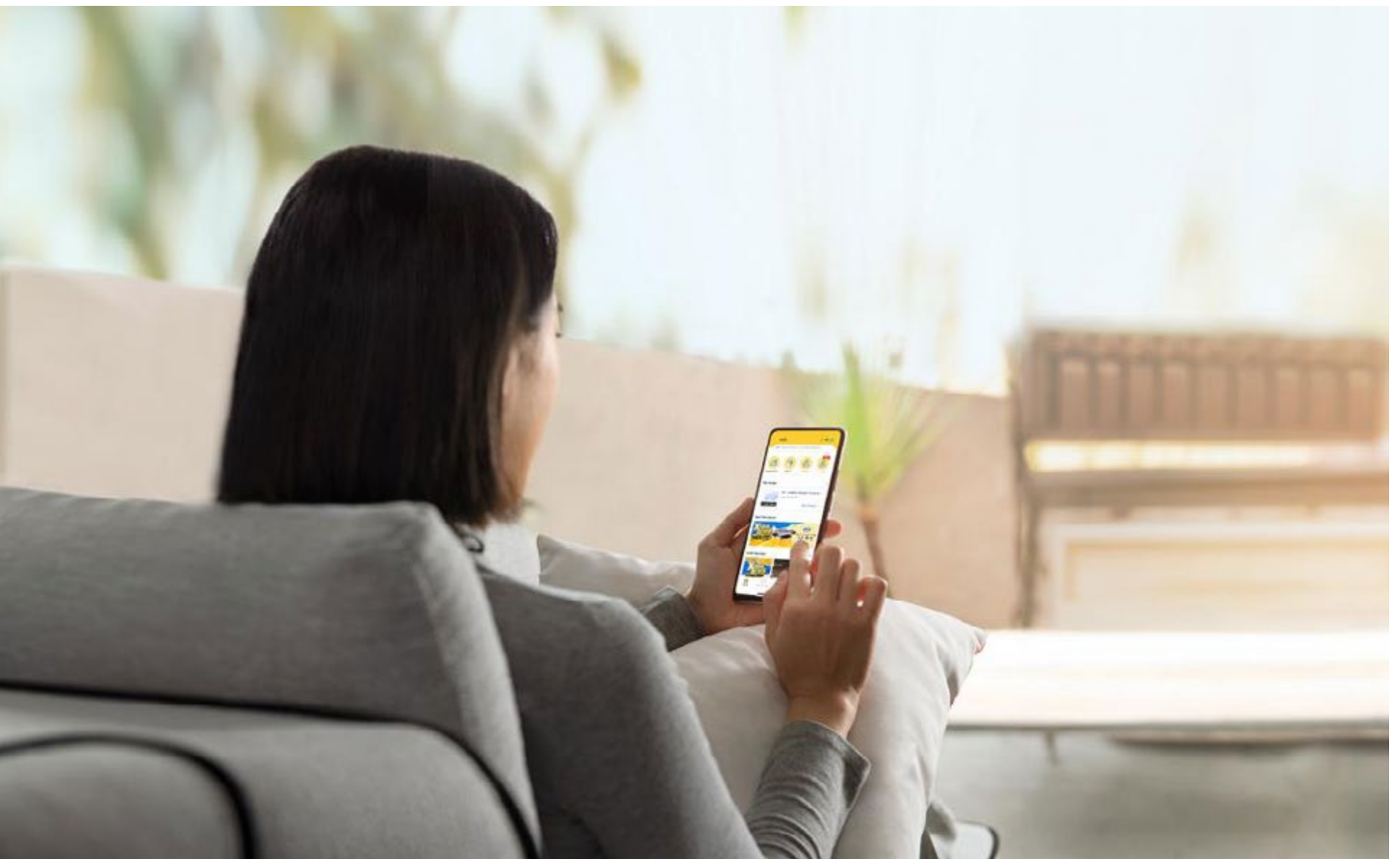
These examples from Malaysia and Asia showcase how solo advertising and marketing endeavours are thriving in a region known for its cultural diversity and entrepreneurial spirit. These individuals harness the power of digital tools, authenticity, and a deep understanding of their audience to create successful marketing campaigns and personal brands that resonate with consumers in their local communities and beyond.



**WE CAN BEAT MORE  
THAN JUST SPAIN TODAY**

If everyone regularly checks for a change in the colour,  
texture or feel of their breasts, and gets to know their normal,  
we could help to beat breast cancer too.

**BREAST  
CANCER  
NOW** The research &  
support charity



# The AI Boost for Marketers

*A Quiet Revolution and Its Unanticipated Benefactors*

Think about this: When refrigeration technology was first introduced, it was not the manufacturers who reaped the greatest rewards. Instead, soda titans like Coke and Pepsi emerged the unexpected beneficiaries. Fastforward to the mobile revolution, history repeated itself - with device trailblazers like Apple and internet powerhouses like Google

and Meta who profited the most, and not the chip companies.

Fast forward to the AI revolution, it is clear that we are looking at a similar pattern. While AI pioneers like Nvidia are reaping immediate rewards, the ultimate winners will be the businesses that seamlessly integrate AI into their workflow, so covertly that the consumers do not even realize it.



For CEOs, AI is evidently becoming a potent tool to supercharge operations, supply chains, and financial management. But for marketers, the AI story is taking an exciting turn. AI is not just helping them elevate campaigns, streamline budgets, and manage resources more effectively, but it's also becoming a crucial part of the marketing process itself. It is no longer just about using AI applications like ChatGPT and MidJourney to generate content. The game-changer is when

marketers are able to weave AI into their entire marketing DNA.

### **The Shift from Marketer-Controlled to AI-Controlled Campaigns**

Technological advancements in AI have led ad platforms to assume greater control, translating to minimum inputs from marketers. In fact, tech giants like Google, Meta, and other platforms enhance their ad products using AI. This has automated the entire ideation and end-result process with

**MARKETER AI****...If you think about it, in the digital space, all marketing functions do is to align their work to impress algorithms of either ad platforms or social platforms...**

only a few minutes spent on the keyboard to input the budget, objectives (awareness or sales) as well as the creatives.

These enhancements have also democratized the campaign execution process; ultimately allowing anyone with limited knowledge to start spending on ad campaigns on Facebook or Google. With humans providing fewer inputs, algorithms have a lot of constant attributes providing room to learn from the data faster and predict better results to optimize spending and manpower.

A perfect example would be Google's Performance Max or Meta's Advantage+, both amazing product enhancements; sending the right behavior data to the campaigns and that make fewer changes giving them the best results despite the lesser

control. You cannot blame these companies for taking away control; at the end of the day, they are in the business of serving the most interesting content and ads to consumers.

**Marketers working for AI to AI working for marketers**

If you think about it, in the digital space, all marketing functions do is to align their work to impress algorithms of either ad platforms or social platforms.

- Performance marketers optimize the campaign to help the algorithm show the ad to the right audience.
- Social media strategists are developing posts with trending audio or events so that the algorithm catches; they must know what content the algorithm constantly prioritizes.
- An SEO person optimizes the page so that the algorithm ranks higher in the search results.
- The copywriter, content writer, and graphic designer are on the same track of aligning their work to the algorithm.

With these new LLMs (Large Language Models) and Generative AI at marketers' disposal, they can generate

**MARKETER AI**

content (Text, video, images) faster, increasing the probability of getting more success with algorithms and with consumers.

Because of this, the AI-driven landscape now demands a reimagined role for CMOs. Before diving into their own departments, CMOs need to collaborate across the board to effectively harness AI.

Most successful CMOs of digital-first companies have something in common; they maintain a very good relationship with their technology counterparts. More often than not, marketing requests are often deprioritized in the tech world's bug-fixing, feature-rolling, and regulator's request compliance rush.

Successful CMOs are those who are able to prove the value of their requests to the business, ultimately making it to the priority list. Marketing should work with the tech teams to ensure the right behavior data is passed to the marketing platforms. They must build relationships with product teams so they get a say in the product development roadmap, and collaborate with data teams who take the valuable data

## **... Marketing should work with the tech teams to ensure the right behavior data is passed to the marketing platforms...**

from marketing and apply it for business, to the business.

Building a brand is and cannot be a solo act. The branding team alone cannot build the brand; it is everyone's responsibility and that includes product, tech, data and customer experience (CX) functions.

Within the marketing department, it is mostly cultural change. CMOs have to lead by example by getting their hands dirty and showing the value of AI tools as allies and not threats. Eliminate any fear of AI taking the team's jobs because nearly every marketing function is positively impacted by the tools of AI. The idea is to build and scale the team's capabilities using AI, advancing their roles and outcomes of campaigns. Here are a few examples.

- MidJourney, stable diffusion is making it easier for the creative teams to build mood boards and concepts.



- Generative AI in Adobe Photoshop is opening new creative opportunities for designers with just prompts.
- Plugins of ChatGPT that accept PDFs improve research speed for brand strategists.
- Plugins of Chat GPT that accept CSV can analyze your performance campaign data saving hours on Excel.
- AI-based editing tools repurpose videos and images, packaging them to distribute on social platforms.

### AI at CAR SOME

As a tech company, CAR SOME is ahead of the game, using AI in product listing, pricing, logistics, and

car inspections. The marketing team has been experimenting with multiple tools and vendors to improve efficiency, however, not everything has given us our desired results.

Eventually, we shifted from manual budget allocation to an AI-driven approach. We have included creatives generated using AI while tools like MidJourney, Dalle-2, and stable diffusion have added a fresh, fun element to our ideation process. The outcome? - a significant reduction in our Customer Acquisition Cost (CAC).

*This article is attributed to Ravi Shankar Mallavarapu, Chief Marketing Officer*

# MOST READ ON MARKETINGMAGAZINE.COM.MY

(1th September – 8th September 2023)

## Record number of entries judged today in MSA Awards 2023

The MSA Awards 2023 has witnessed over 300 entries, as all the top media agencies of Malaysia compete in the most prestigious media industry awards..

Pageviews: 2,502



## Spikes Asia announces its return to a physical event for 2024

Spikes Asia, APAC's most prestigious and sought-after award for creativity and marketing effectiveness, has confirmed its return to a physical event in Singapore for 2024...

Pageviews: 2,404



## WONDA Kopi Tarik and Astro Radio launch Malaysia's most original radio station...

In conjunction with Malaysia's National Day, listeners can tune in to OR1 FM with Wonda Kopi Tarik, the Original Malaysian Taste...

Pageviews: 2,211



## FCB SHOUT Goes To The Future And Back For Allianz Malaysia's Total Retirement Solutions Campaign

When you think of campaigns for retirement schemes, chances are, the first images that come to mind...

Pageviews: 2,175



## Navigating the World of Martech with Rajesh Jain: From Startup to Proficorn

In the enlightening episode of "The Brand Called You," host Ashutosh Garg engages...

Pageviews: 2,087



# MALAYSIA RETAIL INDUSTRY REPORT (SEPT 2023)

*by Retail Group Malaysia*

After two years of a covid-driven retail slump and an unprecedented strong recovery last year, Year 2023 has been a period for the Malaysian retail industry to return to pre-crisis level.

## Q2 2023 Performance

For the second quarter of 2023, Malaysia retail industry recorded a poorer-than-expected growth rate of -4.0% in retail sales, as compared to the same period in 2022. This latest quarterly result was way below the market expectation. In June 2023, Members of MRA and MRCA estimated an average growth rate of 2.6% for second quarter of 2023.

The weaker-than-expected result was attributed to 2 main factors - lower sales during Hari Raya festival and high base effect.

## YEAR ON YEAR PERCENTAGE CHANGE IN RETAIL SALES (WEIGHTED), 2022/23

Type	Period	% Growth
Retail sales	Apr-Jun 2022	62.5
	Jan-Mar 2023	13.8
	Apr-Jun 2023	-4.0
	Jan-Jun 2023	2.6

Source: MRA/ MRCA/ Retail Group Malaysia

Hari Raya Aidfitri in 2023 was celebrated nationwide on April 23. Although retail sales were encouraging, it was not comparable to a year ago. Hari Raya festival a year ago was celebrated nationwide during the months of April and May. This period encouraged Malaysians of all races to shop outdoor after 2 years of lockdown.

In 2022, shopping centres and main commercial centres throughout Malaysia started to attract large shopping crowd 3 weeks before Hari Raya. Shopping traffic in major shopping malls stayed at high

**RETAIL REVIVAL?**

## ... Many members of the two retailers' associations estimate an average growth rate of 1.4% in retail sales during the third quarter of 2023...

level even 2 weeks after the holiday. During the second quarter of 2022, retail sales expanded by 62.5%. It was one of the highest quarterly growth rate achieved in the history of Malaysia retail industry.

### Next 3 months forecast

Many members of the two retailers' associations estimate an average growth rate of 1.4% in retail sales during the third quarter of 2023. The low projection is also due to the high base effect a year ago. During the third quarter of 2022, Malaysia retail industry had a historically high growth rate of 96.0%.

The department store cum supermarket operators are expecting their sales to have near-zero growth rate of -0.1% for the third quarter of this year.

After an impressive recovery a year ago, the department store operators are expecting their businesses to slow down with a growth rate of -4.2% for the third 3-month period of this year.

The supermarket and hypermarket operators are expecting their businesses to normalise further in the next 3 months. They anticipate their sales to weaken with -6.7% in growth rate during the third quarter of 2023.

This is the worst projection among the retail sub-sectors for the quarter. In contrast, operators of mini-market, convenience store and cooperative are foreseeing their growth momentum to maintain.

### 3-MONTH RETAIL SALES FORECAST BY RETAIL SUB-SECTOR

Retail Sub-Sector	% Growth rate
Overall (weighted)	1.4
Department store cum supermarket	-0.1
Department store	-4.2
Supermarket and hypermarket	-6.7
Mini-mart, convenience store & coop.	7.1
Fashion and fashion accessories	-0.2
Children and baby products*	5.4
Pharmacy	5.0
Personal care	14.5
F&F, home improvement and E&E#	5.4
Other specialty retail stores	6.2

#### Notes:

\*- include apparel, accessories, equipment, school uniform and toys

#- furniture & furnishing, home improvement and electrical & electronics

Source: MRA/ MRCA/ Retail Group Malaysia

**RETAIL REVIVAL?**

For the third 3-month period of this year, their businesses will increase by 7.1%.

Retailers in the fashion and fashion accessories sector expect their businesses to experience a near-zero growth rate of -0.2% during the third quarter of 2023. Retailers selling children and baby products are anticipating their businesses to regain its growth momentum with a growth rate of 5.4% during the third 3 months of this year.

Pharmacy operators are optimistic of their retail sales during the third quarter of this year with a projected growth rate of 5.0%. Retailers in the personal care sub-sector are expecting their businesses to thrive with a growth rate of 14.5% during the third quarter of 2023. This is the most optimistic growth projection among the retail sub-sectors for the quarter.

**Rest of 2023**

In June this year, Retail Group Malaysia (RGM) estimated a 4.8% growth rate in retail sale for 2023.

RGM has revised downwards Malaysia annual retail industry growth rate for 2023 from 4.8% to 2.7%. This significant downward

revision was due to two factors. The second quarter growth rate was -4.0% instead of 2.6% estimated 3 months ago. This unexpected final result was a downward revision by 254%.

The third quarter growth rate was estimated at 3.0% in June 2023. Retailers are less optimistic on the spending power of Malaysian consumers during the current quarter. Third quarter growth rate has been revised downwards from 3.0% to 1.4%. This is a 53% drop from earlier projection.

For the last quarter of 2023, the growth projection maintains at 3.0% as compared to a year ago. Although shopping traffic has returned to pre-covid level, the spending power has been weakened in recent months. Malaysia retail industry is still facing several major challenges for the rest of this year.

*Retail Group Malaysia is an independent retail research firm in Malaysia. The comments, opinions and views expressed in this report are of RGM, and they are not necessary the comments, opinions and views of MRA, MRCA and their members. For more, email [tanhaihsin@yahoo.com](mailto:tanhaihsin@yahoo.com).*

# MASTERCLASS FOR WRITERS

W O R K S H O P

With Professor Harmandar Singh aka Ham



25th Oct 2023 | 8.15am - 6.00pm | Eastin Hotel



APPROVED HRD CORP  
TRAINING PROGRAM  
NO 10001335252