**ISSUE 11** 





**AFFIN GE™** Newsletter



AFFIN is honoured to participate in the Family **Business** Sustainability & Entrepreneurship Conference 2025. As champions of sustainable growth and legacy-building, we are proud to join industry leaders, innovators, and family enterprises in shaping the future of responsible business. This conference serves as a pivotal platform to exchange insights, foster resilience, and drive meaningful change, ensuring that family businesses continue to thrive for generations to come.

Together, let's redefine success with sustainability at its core.



# **E-COMMERCE BOOM:**

How Your Business Can Dominate Shopee, Lazada and TikTok Shop A blueprint for entering the market in 2025

The landscape of Malaysian e-commerce in 2025 presents a fascinating intersection of technology, consumer behaviour, and business strategy. Drawing from verified data and industry insights, let's explore how to build a resilient and successful e-commerce business in this evolving marketplace.



The Art of Product Portfolio Development Your initial product mix should tell a coherent story. Think of it as curating an art gallery rather than stocking a warehouse. Each product should complement the others, creating natural cross-selling opportunities and establishing a clear brand identity. This approach isn't just about aesthetics; platform data indicates that cohesive product ranges achieve 25% higher average order values.



The foundation supporting all these elements is robust data analysis. Successful businesses in 2025 don't just collect data. They translate it into actionable insights.

- Regular Portfolio Performance Analysis
- Channel Contribution Assessment
- Customer Behavior Tracking
- Inventory Optimisation
- Marketing Effectiveness Measurement



### **The Omnichannel Evolution** The journey typically unfolds in stages:

- Digital Marketplace Presence
- Development of Own Website
- Integration of Social Commerce
- Strategic Online Touchpoints



## Marketing in a Multi-Platform World

The most successful businesses maintain platform-specific Return on Advertising Spend (ROAS) targets:

- Discovery Platforms: Focus on brand building, accepting lower initial ROAS.
- Conversion Platforms: Aim for higher ROAS targets, typically 3.0 and above.
- Community Platforms: Adopt a balanced approach between engagement and sales.



https://flybear.com.my/wp-content/uploads/2024/12/Flybear-Things-you-need-to-know-about-e-commerce-2025.pdf

# **BEYOND PROFIT:** How to Build a **Purpose-Driven Business**



### Building Trust and Loyalty

Trust is the cornerstone of any successful business relationship. Companies that are transparent about their purpose and values tend to foster stronger trust with their customers. This trust translates into loyalty, with consumers more likely to remain committed to a brand that they believe in, even during challenging times.

### 3. Enhancing Reputation and Attracting Partnerships

A strong sense of purpose can significantly enhance a company's reputation, making it more attractive to potential partners, investors, and customers. Businesses that are recognised for their commitment to positive social or environmental outcomes are more likely to be viewed as leaders in their industry, which can unlock new opportunities for collaboration and growth.





### Driving Innovation

Purpose can be a powerful catalyst for innovation. When a company is committed to making a positive impact, it is more likely to pursue new and creative solutions to problems. This drive to innovate can lead to the development of new products, services, and business models that not only meet consumer needs but also advance the company's mission.

#### **4**. Boosting Employee Morale and Productivity

Employees who believe in the company's purpose are more likely to be motivated and productive. They feel that their work has meaning and that they are contributing to something significant. This sense of purpose can lead to higher levels of job satisfaction, reduced turnover, and a more positive workplace culture.



### 5. Long-Term Sustainability

Purpose-driven businesses are better positioned for long-term sustainability. By focusing on more than just short-term profits, these companies can build resilient business models that adapt to changing market conditions, regulatory environments, and consumer expectations.

https://www.linkedin.com/pulse/beyond-profit-how-purpose-driven-businesses-winning-2024-ian-burton-bjwqc/

## **STRIVING DIGITALLY -Understanding the Challenges of Malaysian Women Entrepreneurs**



In today's world, digital skills are essential for navigating the business landscape, as they enhance business efficiency through the automation of processes. Digitalisation in micro, small, and medium enterprises (MSMEs) refers to the use of online processes for product marketing, bookings, payments, and customer service. These processes can take place in a variety of devices, including mobile phones, advanced computing devices, and applications.

### **Digital Literacy and** illisation in Busine

**Financial Literacy** and Management



**Time Poverty and** 

Key findings highlight that time poverty is cited as the biggest challenge for a majority (97%) of micro and small women enterprises (MSWEs), with as many as 73% indicating that they need to juggle business, childcare, and household responsibilities. This reflects the broader issue of a double or triple burden, where working women are expected to shoulder most household duties. Their multiple overlapping responsibilities in both professional and personal spheres limit the MSWEs' ability to devote the necessary time and attention to their businesses.

These challenges are deeply rooted in gender norms, with up to 90% of participants expressing a strong sense of responsibility as the primary family caregiver. This feeling is influenced by prevailing gender roles, social expectations, and personal aspirations.

MSWEs acknowledge the potential advantages of integrating digital technology into their business operations, anticipating benefits such as enhanced marketing strategies and improved customer engagement. Over 80% of MSWEs agree that digital technology is crucial for increasing business flexibility, accelerating processes, and accessing information.

Our research indicates that more than 80% of MSWEs are capable of searching for information online and maintain multiple digital accounts on platforms like Facebook, TikTok, and Instagram. This underscores their proficiency in basic digital tasks and communication through various online channels. However, their use of these digital tools is primarily for personal purposes rather than business objectives.

Financial literacy among MSWEs is relatively low, with 50% or fewer expressing confidence in their financial knowledge and skills. Many MSWEs' financial knowledge is limited to basic expense tracking and income records, with many lacking an understanding of broader financial concepts such as dynamic markets or funding applications.

This indicates that while MSWEs possess a strong sense of financial responsibility, they face significant challenges in business performance and loan/financing management, and they exhibit low awareness of financial markets.

 $https://asiafoundation.org/wp-content/uploads/2024/08/Striving-Digitally\_Understanding-the-Challenges-of-Malaysian-Women-Entrepreneurs\_EN-1.pdf$ 

## **GREEN & LEAN: Cost-Sustainable Practices** for Start-Ups and SMEs

Lean thinking is based on one fundamental concept: the elimination of waste. Waste, in the context of Lean, is anything that doesn't add value to the customer. It can manifest in various forms, from excessive inventory to overproduction of products, inefficient processes, and unnecessary waiting times. The Lean approach focuses on identifying and eliminating these sources of waste to create leaner, more streamlined processes.



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eliminates seven types of waste, often remembered by the acronym **TIMWOOD**: Transport, Inventory, Motion, Waiting, Overproduction, Overprocessing, and Defects. These wasteful activities sap resources and hinder sustainability.

## WASTE REDUCTION > CUSTOMER FOCUS > CONTINUOUS IMPROVEMENT

Lean places the customer at the heart of every decision. By understanding customer needs and delivering precisely what is desired, efficiently, and customer satisfaction is enhanced.

In the Lean world, there's no resting one's laurels. The philosophy encourages a culture of continuous improvement, where processes are regularly scrutinised and enhanced.

## RESPECT FOR PEOPLE

Lean principles recognise that people are the most critical resource in any organisation. By engaging and empowering employees, Lean fosters a sustainable work environment.

https://www.linkedin.com/pulse/lean-principles-business-sustainability-guide-smes-adepeju-babalola-dkzgf/



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This newsletter is brought to you by AFFINGEM, an initiative tailored for women entrepreneurs to GROW, EMPOWER and MANAGE your businesses with special offerings and perks.

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