

Franchise, direct sales in Malaysia down as much as 80pc during MCO, says deputy minister

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BY JERRY CHOONG



Customers pack food to go at a food court in Penang March 18, 2020. — Picture by Sayuti Zainudin

KUALA LUMPUR, June 11 — A recent Domestic Trade and Consumer Affairs Ministry survey found that franchising and direct sales operations in the country have declined by up to 80 per cent due to the movement control order to contain the Covid-19 pandemic.

Harian Metro reported Deputy Minister Datuk Rosol Wahid as saying the biggest drop reported was in the food and beverages subsector, followed by education.

Among the challenges faced include a lack of workers, raw materials due to logistical problems, operational costs, as well as rental and utility payment throughout the MCO.

He said the ministry was reviewing several initiatives aimed at stimulating retail activities in the country and to boost consumer spending.

"The involvement of industry players is a necessity, so as to obtain their support and views in the upcoming discussion session," Wahid said during a webinar programme on franchising crisis management yesterday.

The minister added there is also a need for both the industry and government to cooperate in identifying new methods and standard operating procedures to be obeyed, so as to ensure businesses can once again operate safely.

"Such interactive programmes online like today's session will also be increased, to stimulate virtual discussion on information channeling and knowledge sharing, which in turn can strengthen the franchising business," he said.

The programme saw 213 participants take part, and featured Hsein Naidu, Wong Jin Nee, Wan Arjunawan, and Kairul Azman as its panelists.

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