

Oracle's tech innovations builds resilience in uncertain times

With the right technology, retail companies can predict and meet customers' expectations in the new normal

The Covid-19 pandemic disrupted trade and impacted economies across the world. As countries in Asia-Pacific, including Japan, ease social restrictions, businesses have come to realise that consumers have changed behaviours, sentiment and beliefs.

"The shifts in consumer habits are clear. As people are limited in what they can do offline, they start turning online. Even those who do not usually shop online are doing so now. In response, the more proactive companies are introducing new strategies to connect deeply with their customers," observes Fitri Abdullah, managing director of Oracle Malaysia.

Connecting with customers using new business models

The ecommerce industry in Malaysia was already thriving before the health pandemic. However, in the first few months of this year, online transactions surged, especially during the Movement Control Order. A research study by Commerce.Asia saw year-on-year growth of gross merchandising volume soaring 149% in the first quarter of this year. The study also notes that people were acquiring more practical essential items.

This compelled businesses to adapt to changing consumer trends and uncertainties in the economy. "Some companies have been massively disrupted while others entered prime growth stage with massive demand for what they have to offer. But all companies have had to adjust their business models to align to the new environment," says Fitri.

He points to online companies in the country that implemented new and innovative ways to ensure their supply chain wasn't severely disrupted during the pandemic, so their products were constantly available for consumers. "There are many reasons that compel

a shift in the way business is done. For example, some businesses have to change to keep their operations running, others look to turn threats into opportunities and, maybe, diversify their customer base," says Fitri.

"We are witness to a great shift in the commercial world into the digital space now. This can be seen as conventional marketplaces go beyond their comfort zone and include online platforms in their repertoire. During the Hari Raya festive period, for example, many cookie sellers started using digital technology to connect to their customers and boost their sales. They also used e-hailing services to deliver their cookies to customers who were practicing social distancing and staying home," he adds.

The next wave of ecommerce trends

Fitri sees a number of trends that are likely to have a profound influence on ecommerce and the retail value chain in the post-pandemic new normal. One emerging trend is the convergence of

livestreaming and shopping on an online platform.

"Brands are aggressively trying to provide the in-store experience to digital consumers. Think of a livestream broadcast that offers an interactive, experiential and real-time shopping experience to online consumers. This is increasingly gaining traction across Asia," says Fitri.

The next few trends in the retail industry leveraging on technology include greater automation across business processes and cloud storage. "The retail industry is not a stranger to automation. I expect automated commerce, better known as a-commerce, to drive the future of shopping. A-commerce refers to automated warehouses and the automation of browsing, recommendations, purchasing, delivering arrangements and others. More business operations are being managed remotely now. In such a case, increasing automation in departments such as finance and human resource, and across their supply chain, can improve remote work productivity and enhance customer service as

new forms of customer engagements are created."

"I also see data as imperative if brands want to move to the next level in retail. Brands can harness their data reservoirs, from the back office to the shop floor, to deliver an insight-rich personalised user experience in order to stand out from their competitors. Cloud storage is the answer for this to happen," he adds.

Taking stock in the cloud

Cloud storage and computing provides scalable architecture that a business needs. It also enables ecommerce platforms to cater to changing demand and market scenarios. "The path ahead is unknown. For retailers, this means that their first point of order is to manage their operations. Given potential obstacles in the management of their supply chain and logistics, it is important that they leverage on the cloud to streamline operations and ensure minimal disruptions at the store-front," notes Fitri.

The largest ecommerce fashion



Fitri Abdullah

company in Southeast Asia, Zalora, demonstrates how an ecommerce platform can enhance its platform with the right technology to cater to a sudden shift in demand. During the pandemic, Zalora responded in real-time to each customer interaction. This enabled the company to extract the necessary data to provide the customer with a great experience. "Zalora used Oracle Customer Experience (CX) Cloud Suite, an integrated portfolio of digital marketing solutions, to orchestrate personalised conversations. With this, their personnel could speak to customers in a relevant and tailored manner. The flexibility and adaptability of Oracle's technology enabled Zalora to respond to customers quickly and drive continuous growth during a challenging and uncertain period," says Fitri.

Besides personalised connections with customers, businesses must also pay attention to how customers are responding to changes that have been made. Insights can be drawn from the customer's purchase history, preferred communication channel, shopping behaviour and social media activities. "All of these are data points stored in the cloud that retailers can tap into to stay connected," he adds.

A spree of possibilities

"The road ahead for the retail industry is unknown but brands that reinvent and adopt new ways to overcome challenges are the ones that will succeed in the next era. By making sense of their data, retailers can access a spree of possibilities," says Fitri.

MALAYSIA RECORDED AN INCREASE IN E-COMMERCE SPENDING



InvestKL poised to attract more global tech companies to Greater KL

Over the past years, Southeast Asia has seen a rapid phase of digital transformation. The advent of the Covid-19 pandemic further propelled demand for digital services and many ecommerce platforms reported a surge in social media usage, ecommerce purchases, cashless payments such as the use of e-wallets, and many more in the first half of this year.

The new normal and changing consumer behaviour are clearly galvanising the rise of the digital economy in this region, which is expected to triple in size to US\$300 billion by 2025. This puts Southeast Asia among the most rapidly-growing grounds for online commerce in the world. This trend also attracts global tech firms, which, in turn, present numerous investment opportunities for Greater KL with its robust ecosystem and vibrant community of multinational corporations (MNCs)



Azmi Zulkifli

and leading home-grown companies.

InvestKL, an agency under the Ministry of International Trade and Industry (MITI), has attracted global brand names into the country — among them known technological behemoths such as Oracle and Zalora — to set up their regional activity hubs in Kuala Lumpur.

Oracle and Zalora are among the 91 MNCs that the agency had attracted to set up regional headquarters in Kuala Lumpur between 2011 and 2019.

These 91 MNCs represent RM13.95 billion in approved and committed investments and more than half of this amount, approximately RM8.1 billion, has been realised and has led to the creation of 12,584 regional high-skilled jobs in Greater KL alone.

"Having facilitated leading players from various tech sectors such as cloud computing, artificial intelligence and Big Data has strengthened the overall ecosystem and enhanced opportunities in the e-commerce industry. At the same time, this brings significant investments and job creation to the country. The digital and ecommerce expertise also augments the local talent pool by providing them with invaluable exposure to cutting-edge technology as well as to their global clientele and team," says Muhammad Azmi Zulkifli, CEO of InvestKL.

InvestKL looks to attract large global MNCs and unicorns to Greater KL. It prioritises companies with high-im-

portant, high-value and high-tech activities that will create greater impact and uplift and support the national economic agenda. Digitalisation and disruptive technologies are imperative components of this agenda as Malaysia transitions towards becoming a knowledge-based economy.

The challenge now is to continue to attract foreign direct investments (FDI), especially from leading global companies as the world grapples with the economic impact of the Covid-19 crisis. The UN Conference on Trade and Development expects global FDI to contract between 30% and 40% in 2020 and 2021.

Greater KL's competitive advantage in the region boils down to not only its strategic location, exceptional local ecosystem and talent, but also the strength of close support and commitment that the InvestKL team offers to support MNCs that chose Greater KL as their hub for this region. Indeed,

this was the deciding factor for Zalora and other ecommerce companies in choosing Kuala Lumpur.

"Foremost, InvestKL looks into drawing investments that will add value to our economy and fit into the Industry 4.0 agenda. Then we must ensure that there is a right fit between the MNC and what Greater KL has to offer. Our value proposition is in line with Greater KL's fundamental strengths," he says.

"If there is a good match, then we will commit our efforts to a win-win outcome for both parties. We take a long-term view. This means that we are not just looking for companies to offer employment for Malaysians now. We want opportunities for these Malaysians to continue to upskill themselves and grow their capabilities in line with global trends. This approach clearly benefits Malaysians and Malaysia — now and in the future," adds Azmi.