

Marketing Information

Representation

Canadian exporters to Malaysia may employ a number of marketing methods. Exports may be handled through an established trading firm with branches throughout the country or through the national trading corporation, PERNAS, which often represents foreign firms. The majority of Canadian firms, however, engage an agent.

A few Canadian firms have established representation in Singapore for the purpose of selling to Malaysia, but without conspicuous success. A regional representative based outside Malaysia is most useful during the initial stages of a market strategy and as a means of providing after-sales service. In most cases, however, sustained business in the domestic market requires a local representative. Moreover, depending upon the product or service, it may be necessary to appoint separate agents in Peninsular Malaysia, as well as in the States of Sabah and Sarawak to ensure nation-wide coverage.

Apart from appropriate geographic representation, the key to success in the Malaysian market is ensuring that the chosen agent is both knowledgeable of your industry/product/project and familiar with business practices prevailing in that particular sector. One must often rely on the agent to arrange appointments with appropriate government officials and corporate officers as well as clear necessary documents through bureaucratic channels. To spur the development of indigenous business, Malay (bumiputra) agencies have been given special preference by the government.

Malaysian political implications are such that in the award of government tenders preference over foreign firms is given firstly to Malaysian companies and secondly to joint ventures with active indigenous participation. Canadian businessmen, in particular consultants, have noted that strong preference exists for the use of indigenous engineers and local companies and have therefore often made appropriate arrangements with a Malay firm.

The Commercial Division of the Canadian High Commission in Kuala Lumpur can advise Canadian firms on suitable agents in Malaysia. Interested businessmen should write to the Commercial Division and enclose six sets of company brochures. The Canadian company