



**KEMENTERIAN PEMBANGUNAN
USAHAWAN DAN KOPERASI**
Ministry of Entrepreneur Development and Cooperatives

MEDIA RELEASE

MEDAC AIMS TO HELP 25,000 SMALL BUSINESSES GO ONLINE IN 2 YEARS

Putrajaya, December 13, 2020 - The Ministry of Entrepreneur Development and Cooperatives (MEDAC) is optimistic of being able to potentially assist some 25,000 small businesses nationwide to go digital within one to two years – a vital move to ensure their survival in the post COVID-19 era.

Minister Dato Sri Dr Wan Junaidi Tuanku Jaafar explained that this is largely due the multiplier effect that the ministry expects to see from the various programmes conducted by its agencies, where the most recent include a collaboration between SME Corp and Warong Riders delivery service via SME Corp's Micro Connector Programme.

Under this programme, MEDAC targets to have some 5,000 delivery riders joining the Warong Riders programme nationwide, which will set up in all the parliamentary areas, across the country.

"The programme not only aims to provide job opportunities. These riders will also serve as peer-to-peer counsellors who would significantly help create the awareness and assist in the migration process of *Mak Cik Kiah* businesses from traditional to digital.

"I think it is possible for one rider, to potentially engage with five small businesses, help to explain to them and assist them how to get onboard with the digitalization process. From there, our other agencies such as National Entrepreneurship Institute (INSKEN), can help out with the necessary awareness and skill enhancement through trainings and coaching" he said.

INSKEN, to date, has helped train some 5,000 entrepreneurs to shift their traditional brick and mortar businesses operations to digital via a special coaching programme the Online Onboarding Coaching (E-Board).

This programme was introduced last July including INSKEN Business Training (IBT) that focuses on digitalising businesses through e-market place such as Shopee, Lazada as well as online marketing platforms such as FB Ads, whatsapp and many more.

The E-Board programme is a 4 months training and coaching programme aim to equip entrepreneurs with knowledge and skills on how to operate an online business, which would subsequently contribute towards improving their sales.

In its 1st cohort, an average of 17 percent increase of sales was tabulated with a total of 250 participants upon acquiring the vital skills and knowledge on how to conduct their businesses online. In fact, there are participants who have enjoyed more than 100 percent jump while highest sales increase recorded was more than 500 percent. The EBoard programme is currently in its 2nd cohort.

For next year, INSKEN targets to help 5,900 entrepreneurs via several coaching programmes including Eboard, Penjaja Onboarding Programme (POP) and IBT programme.

Dr Wan Junaidi, nevertheless, said converting these small business from traditional to digital is indeed a challenging task, which requires end to end assistance as well as hand holding.

“When we talk about digitalisation, especially at the B40 group level, many do not have the slightest idea of what it is all about. They can’t imagine what an online an online business would look like. In fact, there are some of my close friends too who still do not understand what e-commerce is.”

“Simply handing out grants would not suffice. It would be a waste of money because in the end they would not know what to do. They require a more holistic approach. They need the right training, the right tools and the right marketing approach in order for them to successfully migrate their business online,” he said.

Dr Wan Junaidi further said the overall cost involved to help small business go online would be huge and based on the allocation given to MEDAC and its agencies, it would not have sufficient funding to carry out this challenging task alone.

In view of this, he said that MEDAC is keen to work with other ministries, on various programmes to help the small business in digitalising their operations.

“In order to help the small businesses to cushion the impact of COVID-19, we need to assist them to go online. However, this task is huge and requires support from all parties concerned. MEDAC, via its agencies, is able to take on this task. However, we may need support from other ministries to raise adequate fund for this move,” he added.

MINISTRY OF ENTREPRENEUR DEVELOPMENT AND COOPERATIVES (MEDAC)