

Overview and Business Potential for Malaysian Manufacturers

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4.00 pm - 5.00 pm (Malaysian time)



Thibaut Le Faucheur
Market Consultant
Owner Room Indigo



Opening Remarks by
Tuan Muhtar Suhaili
CEO, Malaysian Timber Council (MTC)

NATURE OF BUSINESS IN EUROPE

KUALA LUMPUR (9 DECEMBER 2020): “Europe is not a single market. It consists of different countries that require different marketing strategies as each nation has different buying powers,” said Thibaut Le Faucheur, Market Consultant of Room Indigo.

Le Faucheur was speaking at MTC’s webinar titled “European Furniture Market: Overview and Business Potential for Malaysian Manufacturers” today. The market consultant said that Malaysian manufacturers must understand the various European culture to do business in the continent. Apart from language, cultural clashes also play a role in businesses there.

Europe is an important market for Malaysian timber-based manufacturers. In 2019, Malaysia’s export to Europe was USD534.7 million. Of this total, 46% was on wooden furniture, with an export value of USD244.8 million. UK was Malaysia’s largest importer of wooden furniture with imports of USD124 million, followed by France (USD15.5 million), Germany (USD12.7 million), Belgium (USD12.1 million), and Poland (USD8.8 million). Besides wooden furniture, two other major products exported to Europe were mouldings and sawntimber.

MTC CEO Tuan Muhtar Suhaili, who delivered the welcoming remark, said: “Manufacturers need to leverage on these demands as well produce higher value-added products to bring in higher returns. For this, the industry must focus more on R&D and utilise technology to advance up the value chain.”

Though Malaysian timber-based manufacturers face competition from China and Vietnam as well as India and Indonesia, there is still much that Malaysia can leverage on by paying close attention to its strength and weaknesses.

Le Faucheur suggested that local manufacturers focus on enhancing their product range, develop accessories to

accompany their products such as pillows for bedroom sets or even wooden components, among others.

He said China’s success lies in its ability to function like a one-stop centre where European buyers can purchase all that they need at trade fairs. Making it easy for buyers to make purchases is crucial, said the consultant.

He also advised business owners to beef up their website as it was one of the main tools of information and should include sites with foreign language, especially in countries or regions that they do business in.

