



**FOR IMMEDIATE RELEASE**

## **MDEC's SME Digital Summit Brings Together Public- and Private-Sector Leaders to Boost Malaysia SMEs' Digital Transformation**

*Malaysia's first-ever SME digital conference kicked off with an esteemed panel discussion on how Small- and Medium-sized Enterprises (SMEs) can join Malaysia's digital revolution to improve operational efficiency and flexibility in a growing technology-dependent business environment*

**Kuala Lumpur, 13 August 2020:** The Malaysia Digital Economy Corporation (MDEC) – Malaysia's lead government agency tasked with driving the nation's digital economy – today inaugurated the [SME Digital Summit](#) to empower digital transformation for all Malaysian businesses. The Summit is aligned with MDEC's focus on accelerating digitally powered businesses as the nation now looks to its economic recovery by preparing Malaysia's society and businesses for a digital-first environment

The week-long event started with a panel discussion entitled '**Malaysia sebagai Nadi Digital ASEAN**' ('**Malaysia is the Heart of Digital ASEAN**'), featuring eminent panellists Shakib Ahmad Shakir, Deputy Secretary-General of Malaysia's Ministry of Communications and Multimedia, Datuk Wira Dr. Hj. Rais Hussin Bin Mohamed Ariff, Chairman, MDEC, and Chow Sang Hoe, Ernst & Young ASEAN Consulting Leader. The session focused on the state of digital transformation of Malaysia's business ecosystem and covered a broad range of key topics, such as how SME digitalisation efforts can be scaled nationwide and the role Malaysia will play as the critical driver of Southeast Asia's digital economy, now worth over US\$300 billion<sup>1</sup>.

"SMEs play a crucial role in our nation's economy, constituting about 98.5% or nearly one million of all business establishments. They have contributed as much as 20 percent to our national income to date in 2020, a healthy rise from 18.5 percent last year. They are also important for job creation as they employ around 66 percent of our workforce, which is about 270 million Malaysians. SMEs are the fulcrum of our economy and they cannot be excluded from the expansion of the internet economy. It is imperative to empower them to utilise digital tools to raise their productivity, lower their costs and market their products or services online," said **Shakib Ahmad Shakir, Deputy Secretary-General of the Ministry of Communications and Multimedia, Malaysia.**

"As we move towards the new normal, the biggest, most impactful change we have observed is the growing use of the internet for business. Internet-based services such as ride hailing have become more necessary in supplying essentials and allowing Malaysians to function normally. This attests to the growing proliferation of such digital services, in addition to the readiness of our SMEs to welcome the challenge. Therefore, we believe that more can be done to encourage more business to adopt a mindset for digital transformation," added Shakir.

The virtual industry conference – the first of its kind in Malaysia – serves as the launchpad for Malaysian SMEs to accelerate their digital adoption through the variety of key public and private players in the ecosystem that are made available. The Summit is part of MDEC's 100 Go Digital programme and the #SayaDigital Month campaign, an initiative designed to empower Malaysians to navigate the new digital normal within society and business.

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<sup>1</sup> Google & Temasek e-Conomy SEA 2019 Report



“At MDEC, we have long championed the importance of the economy’s digital transformation and our cause is now to accelerate digital adoption across Malaysia’s economy. The global impact of the digital economy is massive and Malaysia will be left behind if we do not embrace digitalisation immediately,” said **Datuk Wira Dr. Hj. Rais Hussin Bin Mohamed Ariff, Chairman of MDEC.**

“Currently, our businesses are being challenged by the ongoing pandemic and the contraction of our economy. It is now time for our SMEs and microentrepreneurs to think outside the box – we urge them to take advantage of MDEC’s available resources and leverage more digital tools to not only survive in this economy, but to participate in its recovery,” he added.

Last month, MDEC conducted an SME Digitalisation survey with its state partners, which showed that more than 90 percent agreed that digital solutions increase productivity, can generate more sales and improve process efficiency, leading to reductions in cost. However, almost half said that they found it challenging to start adopting digital tools due to the lack of knowledge and/or skills to do so in addition to other challenges such as the investment costs in digital tools and connectivity.

“When the movement control order (MCO) began, many Malaysians could not go to work and earn their income, in addition to many businesses being forced to close. Despite this, there were also businesses that emerged as champions; those that were able to adapt to the situation with technology to digitally provide their services or products to their customers. This has been one of the biggest impacts of digital transformation during such uncertain times, meaning businesses that are not using any digital technologies will only be left behind,” said **Chow Sang Hoe, Ernst & Young ASEAN Consulting Leader.**

To stimulate the nation’s economic recovery via assisting more local enterprises in mitigating the disruption in the current economic environment, MDEC launched the [#DigitalvsCOVID Campaign](#) in April. The campaign initially rolled out with the support of 80 Malaysian technology companies. This has now grown to over 400 companies, all of whom are offering services to SMEs on a pro-bono basis or at discounted rates. MDEC also introduced SME Digital Quickwins initiative that provided assistance to businesses during the pandemic. The platform, primarily, will ensure business will receive with easy and fast support capabilities that will enable them to digitalise and prepare for the post-MCO environment.

“Recent events have accelerated the need for digital transformation. SMEs particularly have yet to fully maximise on digitalisation to solve their pain points. Our objective for the SME Digital Summit is to bring together our nation’s SME digitalisation ecosystem stakeholders to help our SMEs cultivate an innovative mindset. To that end, we are extremely thankful to all our partners for joining us on this landmark event to help more of our SMEs take the digital leap and in digitalising Malaysia for a better tomorrow,” said **Muhundhan Kamarapullai, Director of Business Digital Adoption at MDEC.**

The SME Digital Summit expects to host up to 100,000 digital participants who will join various curated digital panel discussions, conferences, workshops, and training clinics that are organised in collaboration with more than 60 event partners. Joining the Summit are various [multi-national companies and local enterprises](#). In total, there will be 12 focused panel sessions featuring discussions on 10 areas of digitalisation and how they can be applied across 10 key services sectors.

In addition to providing industry insights on current topics and expert knowledge on business solutions, the Summit will also offer participants an avenue to expand their business network. Attendees will have the chance to meet industry peers, exchange solutions and create



potential collaborations to grow their businesses through the curated webinars and workshops – an invaluable networking opportunity since offline trade events are now facing a slowdown.

The SME Digital Summit also kicked off #SayaDigital Month, an initiative by MDEC designed to accelerate the growth of a digital society in Malaysia. The month-long campaign seeks to expand digital competence and adoption among all Malaysians as well as empowering them to navigate the new normal within society and business. The first two weeks of the month will focus on driving digital businesses, while the subsequent half of the month will provide opportunities for Malaysians to learn and enhance their digital skills.

The Summit's inauguration coincided with the launch of the [MDEC's Digital Xccelerator \(DX\)](#). The platform was created for SMEs to gain access to available programs, incentives and technology solutions matching their digitalisation need. SMEs are urged to go to [www.dx.com.my](http://www.dx.com.my) to register and take the #digitalleap.

SME Digital Summit will also be live streamed on [MDEC's Facebook page](#).

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### **About the Malaysia Digital Economy Corporation (MDEC)**

Malaysia Digital Economy Corporation or MDEC (formerly known as Multimedia Development Corporation Sdn. Bhd.) is the lead agency in driving the digital economy in Malaysia under the Ministry of Communications and Multimedia Malaysia. Since its inception 21 years ago, MDEC's mission is to develop the nation's digital economy. MDEC's implementation efforts are centred on driving investments, building local tech champions, catalysing digital innovation ecosystems and propagating digital inclusivity.

MDEC is also responsible to ensure that Malaysia plays an integral part in developing and nurturing talent to drive digital innovation around the world, while attracting participation from global ICT companies to invest and develop cutting edge digital and creative solutions in the country.

To know more about MDEC's efforts and initiatives in driving digital economy, please visit [www.mdec.my](http://www.mdec.my) or follow us on:

Facebook: <https://www.facebook.com/MyMDEC/>

Twitter: @mymdec

### **About 100 Go Digital**

100 Go Digital is an initiative to enable traditional Malaysia businesses in key sectors to move towards digitalisation, improving efficiency and customer experience. Through the initiative, MDEC works with businesses to solve pain points across the ever-changing landscape of digitalisation. The initiative is aimed at helping businesses digitalise to enhance their customer experience, gain new market segments and increase sales.

100 Go Digital provides a step by step approach supported by its multi-disciplinary partners who will provide in-depth assistance that helps businesses integrate and familiarise themselves with today's latest digital technologies. Launched in Langkawi in 2019, the 100 Go Digital program envisions to move to other locales around Malaysia in the future.



Find out more about the initiative and how you can take part at [www.mdec.my/digital-economy-initiatives/100-go-digital/](http://www.mdec.my/digital-economy-initiatives/100-go-digital/)

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