

Digital Marketing in Malaysia (Oct 2018)

Malaysia has the highest rate of online shopping penetration in ASEAN where 67% of its population is online, and its retail e-commerce market is just behind Singapore. This shows how digital marketing will pick up in Malaysia where on average an internet user has 4 social media accounts.

Malaysia's advertising market has witnessed strong expansion, with the key aspects of this increase from digital and out-of-home (OOH) media, and will continue over the following year. While traditional media formats still comprise the majority of advertising expenditure in Malaysia, digital advertising spending will increase significantly by 2020.

With English-speaking middle-class spending time and money - online, Malaysia is the optimal location for e-commerce to grow. This has brought not only the online startups' attention, but also the major players in advertising who are ready to capitalize on this opportunity.

Recognizing this situation, the Malaysian government has quickly recognized the potential in the digital marketing industry, and has played an important role in promoting its progress and expansion. In addition to the appointment of Alibaba Group to the role of digital economic adviser in 2016, the government has expressed its desire to jumpstart the digital economy forward. Among the Government's initiatives are setting up the world's first Digital Free Trade Zone (DFTZ) in an effort to fast-track digital progress in Malaysia by standardizing infrastructure, facilities and distribution for anyone who aspire to set up an e-commerce or digital style business.

This enterprise gives startups an opportunity to take advantage of a **plug-in-and-play system**, enabling them to compete with established digital companies without the infrastructural outlay that this would otherwise entail. It is expected that the DFTZ will double the growth rate of small and micro enterprises' goods export and create 60,000 jobs by 2025.

As this recognition of potential in e-commerce continues, there is an advancing notion that digital marketing in Malaysia is expanding, substantially increasing the requirement for candidates in the area, and there has been a surge in demand for **junior and mid-level digital marketers** in the last 12 to 24 months.

Unlike other sectors, where companies may start by appointing a department head to develop a team, due perhaps to a misunderstanding of the workings of digital marketing and its potential importance, when **companies open a digital arm** there is a tendency to start with a specialist in a **junior position**, rationalising that nothing more is required, considering positions more senior than this as an unnecessary expense.

The demand for these candidates is being seen right across the country. There is the expected boom in digital markets in Kuala Lumpur, **the home to many e-commerce companies**, but even in the more suburban areas such as Selangor, companies from right across the spectrum – from hospitals to advertising agencies to entrepreneurial startups - are looking to market their services digitally, which is seeing this demand spread outside of traditional spheres.

Although demand for **digital marketing candidates is high**, it is still something of a young industry and companies are finding it difficult to find staff with relevant skillsets and experience.

Many candidates are **self-taught** and are well able to talk up their abilities, but on the whole companies are struggling to find people who can add significant bottom line value.

This means that candidates in possession of these skillsets, who hold the requisite qualifications and have diverse experiences working for major e-commerce groups **are highly sought after**. Candidates who fit this bill and are well versed in strategy - knowing not only how to get 'hits and clicks' but also how to turn them into added value and, most importantly, revenue – are considered to be very much in demand. In these instances, **financial packages** are of extremely high value, and in some of the non-traditional industries flexible working hours may be offered as additional incentives.

In the case that these ideal candidates are not found, companies are upskilling existing traditional marketers or brand managers and pairing their roles with digital marketing positions, with around a 65/35 per cent share in favour of their original role. Other organisations may look abroad, especially if they are in the market for **higher-level digital marketing chiefs or heads of digital strategy** for whom financial packages can be quite some way above the market average. However, due to strict governmental restrictions surrounding visas, this opportunity for **expatriate hire** is only granted to **technology and digital companies** with **MSC status**.

For other companies, **until the candidate pool grows**, as long as candidates have some of the relevant skills required for basic content management - search engine optimisation, search engine marketing, email marketing, mobile marketing, marketing analytics and social media – companies are making do with what is available.

Of course, while this situation can perhaps be expected to continue for the next 12 to 24 months, it is unlikely to last indefinitely. As Malaysia becomes **more digitalised** and **consumers become increasingly tech savvy**, marketers cannot rely solely on the traditional forms of marketing. It surely cannot be long until digital marketing shakes its perception as traditional marketing's faddish cousin and comes into its own. Once this happens, candidates who have in that meantime gained qualifications, experience and have learned to appreciate the importance of adding bottom line value strategy, could hope to be considered as the aforementioned sought after themselves.