

"GDEX GOES THE EXTRA MILE"

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GDEX goes the extra mile

Express courier company transforms to counter extreme competition

AS has been well documented, Malaysia's last-mile business in recent times has been savagely hit by new entrants who have sought to undercut the market with low pricing. This crisis began when foreign-owned startups with deep pockets offered predatory prices to gain market share and set up wide, national infrastructure in a short period to dominate the market. As a result, a number of home-grown players were put out of business.

With large domestic companies succumbing to the extreme and unfair competition, GDEX could not rest on its laurels. There was nothing much we could do about the unsustainable industry conditions but to play the cards that we have been dealt with. We knew we needed to evolve and do more than just last-mile delivery.

Changes GDEX embarked on

We began by strengthening our internal digital capabilities and expanding our digital offerings to provide greater customer experience. For one, customers have the convenience of self-printing consent notes or shipping labels through the myGDEX platform.

They can then arrange for their shipment to be picked up by GDEX, or drop it off at any GDEX branch or drop-off points. Given the digital nature of myGDEX, this is a flexible model that allows for deployment across any country or region, with the potential to scale quickly. myGDEX has since been successfully deployed in Malaysia, Singapore and Saudi Arabia.

In another move to enhance the GDEX connectivity to our customers,

we rolled out the GDEX Point-of-Presence (POP), which is digitally connected and an extension to the GDEX network. Customers can pick up or drop off their shipments at GDEX POP, which could be a café, convenience store or stationery shop, or any retail store that is closest to their home or office.

With GDEX POP, we have been able to gain greater GDEX representation and grow a larger network for pickups and drop-offs. To date, we have a total of 1,800 GDEX POP locations and this continues to grow.

In comparison, GDEX branches and agents add up to about 200 points. In terms of capital efficiency, not much investment is needed to set up GDEX POP compared to setting up a new branch.

In addressing the insurance needs of enterprises and businesses, we established Insabee, an online insurance platform for bite-sized products tailored to unique needs. Through Insabee, customers can access a range of insurance solutions quickly and conveniently and protect their business with ease and confidence. The platform allows users to compare quotes, select coverage options and secure policies online.

Through these measures, our competitiveness has improved and we have gained greater access to customers while providing more convenience. On top of that, we are able to connect to other points of sales and solutions with our Application Programming Interface (API) integration capabilities to other web and enterprise solution providers.

Apart from the internal digital capabilities, we have started to build up our technology ecosystem through several acquisitions of technology

companies and startups. Going beyond the last mile, we help companies and enterprises better market their products and services by equipping them with offline and online solutions.

Through Xilnex, our customers can obtain smart retail management and point-of-sales solutions to support their offline business and retail network. The integrated cloud-based retail management solution enables businesses to achieve valuable controls on retail operations, optimise processes as well as gain insightful data on customers and retail performance. With data analytics, business owners can make informed decisions, streamline operations and drive growth.

As for customers who are looking to expand their business from offline to online, Sweetmag is able to support that journey through platform development and design, ecommerce managed services as well as cross border ecommerce enablement. Additionally, businesses can advance their digital marketing with data-driven performance with Sweetmag.

To assist customers in cybersecurity defence, Anon Security offers Artificial Intelligence (AI)-only security solutions, where businesses can safeguard data and digital assets with military-grade cybersecurity solutions. The cybersecurity specialist provides consultation, conducts maturity assessment and has the capability to launch cybersecurity incident response.

We continuously improvise and integrate among the various units in the ecosystem to establish a robust suite of offerings and solutions. Through these actions, the services we offer become more comprehen-

Last mile industry

Before the E-commerce Boom

Large global companies

DHL, FedEx, UPS

Global companies

Aramex, SF Express, Yamato Transport

Large domestic players

Pos Malaysia, GDEX, City-link Express, Sky Net Worldwide Express, Nationwide Express, KTMD, ABX Express

After the E-commerce Boom

Large global companies

DHL, FedEx, UPS

Global companies

Aramex, Yamato Transport

Large domestic players

Pos Malaysia, GDEX, City-link Express, Sky Net Worldwide Express

Ceased operations

Nationwide Express, KTMD

Foreign players competing in domestic market

J&T Express, Shopee Express, Ninjavan, Lazada Express, Flash Express, Best Express, DHL eCommerce, ABX Express, SF Express, Kerry Logistics

Source: GDEX

The Star graphics

sive and efficient for businesses in handling their needs. We are gaining customers again slowly with our suite of offerings and this provides us with some confidence to invest in bigger projects, such as the GDEX Auto Hub, to attract larger businesses.

GDEX will continue to upgrade and streamline many other parts of its business and operations as well as commit to further upgrades for enhanced customer experience. We believe that the measures put in place can help turn the company around.

Learning lessons from the crisis

During the crisis, we learnt to move and implement plans and projects faster. Speed is essential when catering to customers' needs and requirements. We have also learnt that it is imperative for companies to innovate and scale faster to stay relevant in a rapidly changing business landscape.

Apart from surviving in a highly challenging business environment, we need to be able to continue and speed up growth, as well as evolve with the times.

The backbone of GDEX is its people. We have always emphasised on training and upskilling our people with the setting up of GDEX Academy in the early years of the company's establishment. In this challenging period, as we evolve and adapt, we will continue to streamline and motivate our people to accept changes and strive for growth, both in their personal career and in helping the company grow instead of being stuck in the comfort zone.