

Transporting SMEs into the new economy

As local SMEs progress with various economic changes, MAN Truck & Bus seeks to innovate transportation to meet future needs of local SMEs ▶ P&P 04

Transporting SME

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As local SMEs gather speed towards growth and internalisation with various upcoming changes such as the ASEAN Economic Community (AEC) and the 11th Malaysia Plan, the basis and foundation of this growth still relies on transport and logistics, which in turn often rely on basic amenities such as trucks and buses to make it all possible.

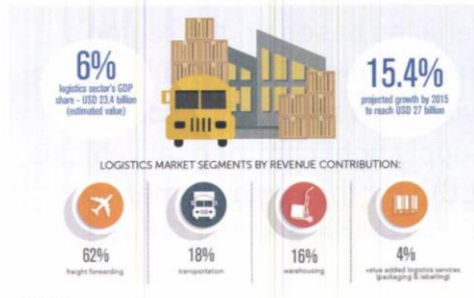
MAN Truck & Bus managing director Hartmut Mueller shared with *MALAYSIA SME*, "Trucks are used in all industries regardless of size and specification, as every industry needs either parts or materials of some nature moved from one location to another and when it comes to such industrial-scale moves, only trucks can do the job.

"Even new-age industries such as online retailing and the creative arts use trucks as some point to perform certain logistical functions which are pertinent to the success of their projects. However, in terms of our SME clients, there are some mainstays that form the bulk of our clientele and customers.

"In regards to SMEs, the largest group of consumers on our part are the long-haul forwarding segment of SMEs. These group of customers are your quintessential logistics companies that purchase a huge number of trucks from us in order to perform a variety of both short-haul and long-haul functions transporting a variety of products across various regions.

"The second group of customers are the construction-based companies that also purchase a wide variety of trucks from us for a variety of functions. Given the more technical and specialised nature of their works, these SMEs tend to pur-

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chase more specialised trucks that perform more niche functions across a broader range of tasks and jobs.

"The third group of customers for MAN is in our other range of products which are our buses which are mainly targeted towards public transports and on lesser extent charter bus services for tourism, company buses as well as private charter buses. In this regards, we work with a host of companies, ranging from larger conglomerates such as Prasarana Group which runs the RapidKL bus service as well as a host of other smaller SMEs."

Commenting further on the range of trucks developed and provided to local SMEs by MAN, Mueller pointed out that currently, MAN's total number of trucks were available in the range of 3000 for which an additional 50,000 specifications

could be made in order to fit even the most specific and niche transport task required by SMEs.

This diverse range of trucks and specifications, as pointed out by Mueller was necessary in order to stay competitive in today's highly demanding arena of transportation products and services. "It is not enough to simply produce a truck that works well, in order to be successful it is necessary to be innovative and flexible in order to be able to meet the demands and needs of clients, even pre-empting these needs when necessary," said Mueller.

"Given this diverse range of products that we have here at MAN, we are able to meet the needs of our clients, regardless of how specific, niche or demanding it may be. Nevertheless, harking back to



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our three main target groups of clientele, there are differing needs for each unique group of customers."

"For the long-haul and logistics companies, it is natural to look for a product that is reliable and cost-effective given the high number of trucks they purchase and use in their line of work. The key denominator for these companies is the sturdiness and reliability of the trucks we offer."

"These trucks are set to undergo heavy wear and tear with repeated long-distance journey, so these

trucks should be built in such a way that they will be able to withstand such heavy duty while incurring a minimal maintenance cost. To put it simply, these trucks should be on the road and hardly or never see the inside of a workshop."

Mueller elaborated that construction companies on the other hand were seeking trucks that were more robust and versatile. He said that these clients were looking for reliable trucks that could perform a wide range of functions effectively and consistently. As opposed ▶



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► to the logistics companies he added, these trucks do not necessarily travel over long distance, but instead should be more versatile and be able to perform a variety of functions with minimal issues and breakdowns.

"The main focus area when it comes to these construction companies is the amount of payload that the trucks are able to withstand and perform under. The key to this is to provide a truck that is able to take the largest amount of payload (the weight the truck is carrying) and still be able to perform a variety of functions seamlessly with little maintenance or breakdown issues."

"As with both logistics and construction companies, these SMEs are looking for trucks that will be able to save them time, thus increasing efficiency, while reducing costs. In respect to cost reduction, fuel ef-

iciency is a huge factor and this is a crucial factor that we incorporate into the research and design process of all our trucks, both for logistics and construction companies."

"We recognise that the business needs of our clients are evolving and becoming more challenging on a daily basis, which also require us to innovate and improve our trucks in par with this. Thus, the main value that we aspire to provide is high-quality trucks that are able to perform under the most challenging and demanding circumstance, come rain or shine."

Moving on to comment on the other side of the business; buses, Mueller said, "For the bus segment of our business, we can classify it into two main quadrants. We have the city buses, which are more easy-going. You can jump on and jump off the buses which usually take shorter and more standardised routes."

"For this segment, the main focus for us is comfort. These buses need to be designed in a way to maximise the comfort and ease of the passengers. Comfortable entrances and exits are a must with comfortable fittings in order to provide the passenger with an easy-going, comfortable and stress-free ride."

"Nevertheless, efficiency is also paramount and this cannot be overlooked when it comes to the research and design of our buses. Given that, these buses undergo heavy wear and tear despite their short journeys, it is important to take all of this into account to provide our customers with reliable and efficient buses."

"Not forgetting fuel consumption as well, as with all our products, this is of paramount importance, especially for these city buses, given that they operate on high-traffic routes within the vicinity of city centre roads which leads me to the

issue of exhaust emissions."

Mueller added that often this particular aspect was overlooked by many local SMEs, however this was a key area that required urgent attention and that MAN aspired to incorporate this into the research and design of all their vehicles, with special regard to city buses which often operated in city centre areas which proved to be high-risk areas for exhaust fumes and emissions.

"The next big segment in buses for us are coach buses. These buses run on significantly longer distances often on interstate routes that mimic the function of our long-haul trucks. Naturally for these buses, comfort is also a priority, however in this regard the comfort of the drivers is also important in terms of ergonomics and the efficiency and driving smoothness of the bus."

"Even for the passengers, the level of comfort that we aim for will of course differ slightly so we need to incorporate this to provide more unique features such as reclining chairs with greater comfort and usability. This is where the coach buses differ significantly from their cousins in the city bus range."

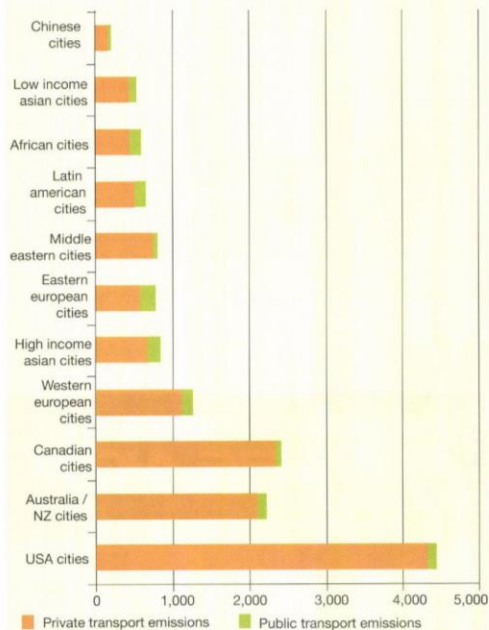
Mueller said, "Naturally, for each sector there will be a favourite or most commonly purchased product by each client segment. For the logistics companies, it would have to be the prime movers, which are the most basic trucks in our range. They consist of the basic truck outer body where the engine and machinery is located coupled with a lorry, which carries the payload of the truck."

"For the SMEs in the construction sector, the most purchased product seems to be the three-axle tipper which is a sturdy transport truck that is also able to perform a variety of functions. Moving over to the bus segment, for the city buses, we have the 12-metre buses which is the common bus you see on the road every day. The most common coach buses on the other hand are the inter-state coaches which are a good combination of efficiency and comfort."

"Thus, for our Malaysian operations, there appears to be great opportunity coupled with challenges for us and local SMEs as the nation moves from price-orientated economy to a more quality and knowledge-driven one. This may spell the end for many traditional industries such as manufacturing on which we heavily rely on."

"So, it is a great time of change for all players in the economy, including ourselves, which dictates the urgent need to change, adapt and innovate quickly or face the music. Technology is at the heart of this and all stakeholders, MAN most of all needs to incorporate as deeply and synergistically possible into their businesses." MSME

Passenger transport CO2 emissions (kg/person/year)



Source: Mobility in Cities Database

