

The background of the slide is a map of Southeast Asia and Taiwan. It shows countries like Cambodia, Vietnam, Philippines, Thailand, Malaysia, and Indonesia. Major cities such as Bangkok, Phnom Penh, Ho Chi Minh City, Kuala Lumpur, and Singapore are marked. The island of Taiwan is highlighted in orange, with cities like Taipei, Keelung, Hualien, Tainan, and Kaohsiung labeled. A blue silhouette of a city skyline is at the bottom. The title text is centered over the map.

Measures Taiwan SMEs cope with Covid-19 and future collaboration between Malaysia and Taiwan

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April 28, 2021

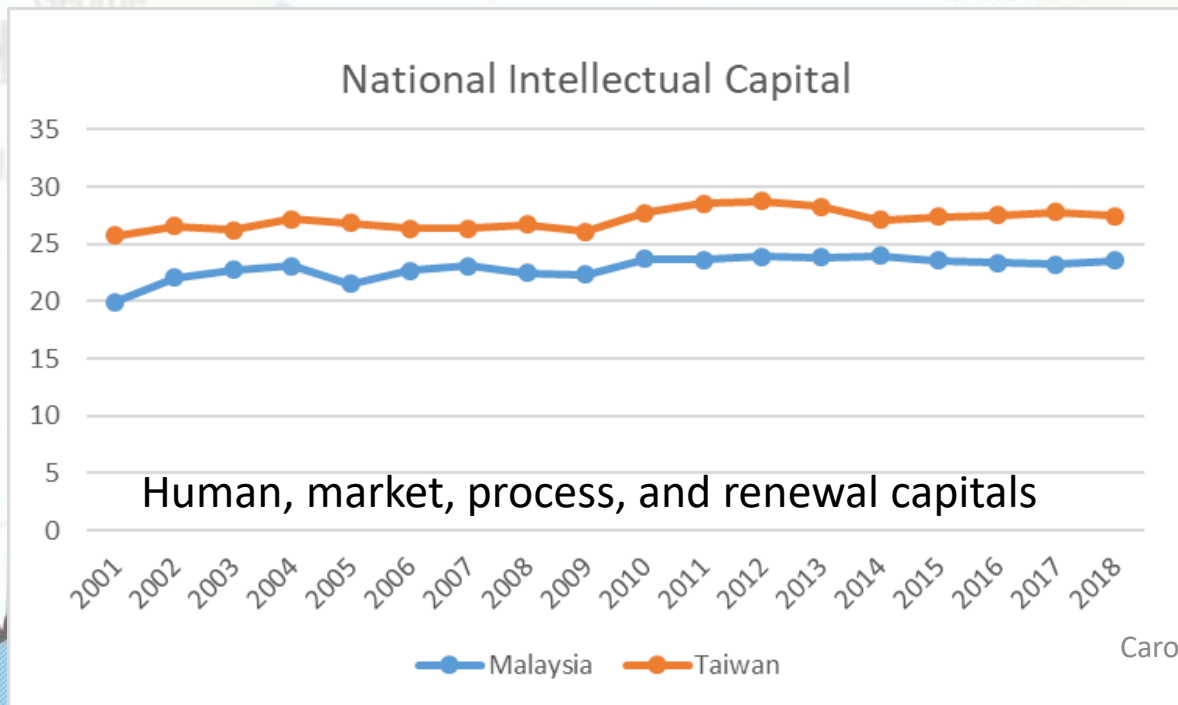
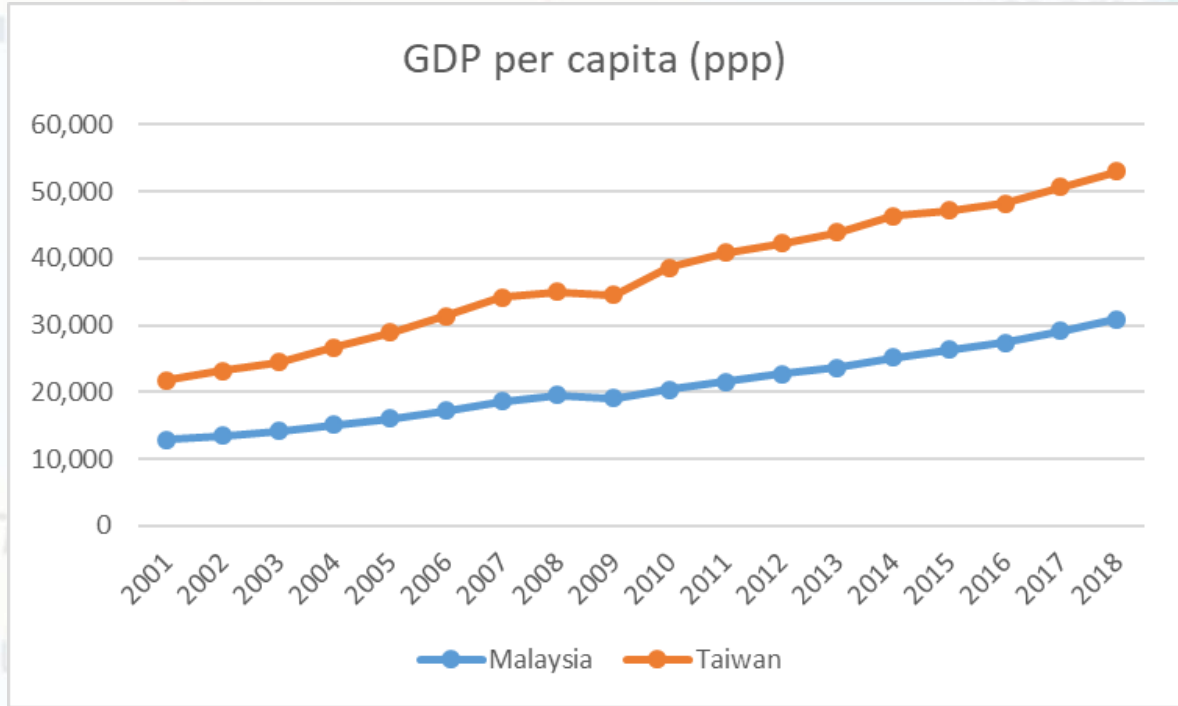
Outlines

- A brief introduction of Covid-19 coping measures in Taiwan
- Results of a small scale survey of Taiwanese companies
- Collaboration between Malaysia and Taiwan in the future
- Conclusion

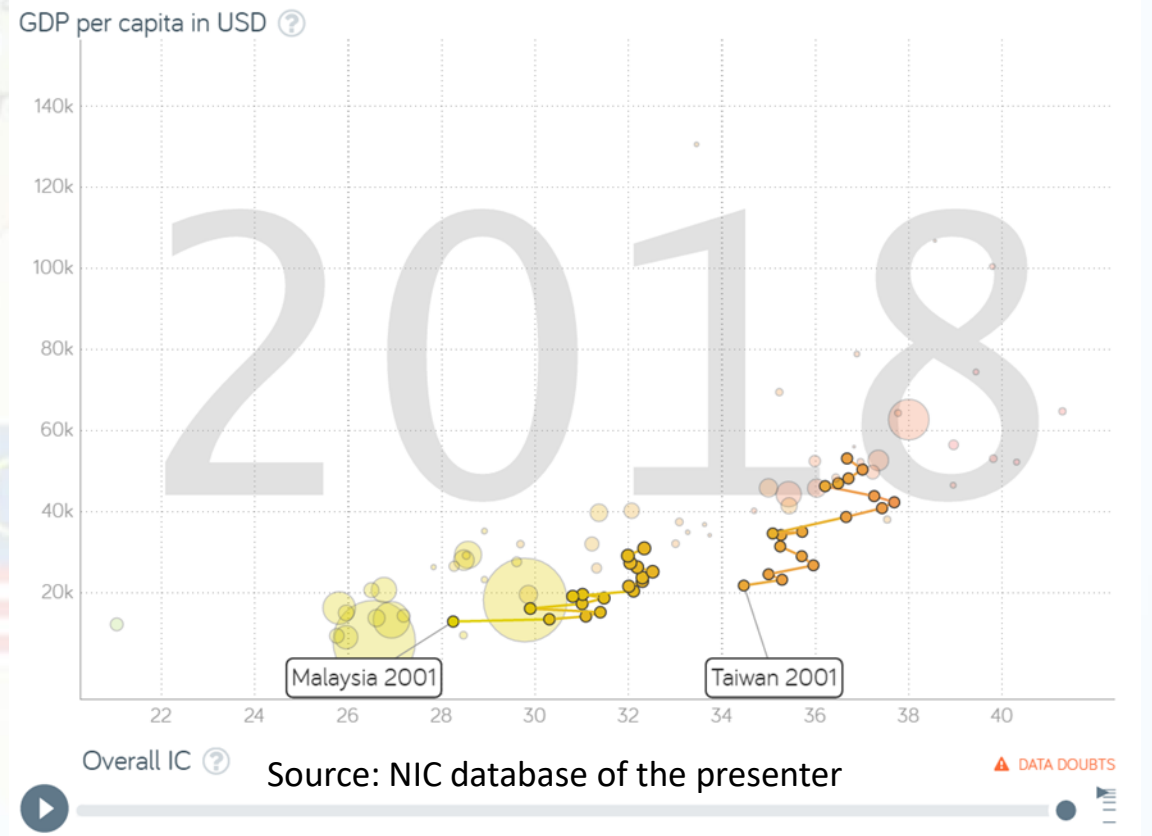
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- A brief introduction of Covid-19 coping measures in Taiwan
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Malaysia is a growing country, with a close tie with Taiwan. Exchange experience is meaningful, collaboration should be explored.



Taiwan was named:

A Corner Creature in the World in this pandemic

- Lowest death rate/M, positive GDP growth
- Many overseas Taiwanese coming back to Taiwan
- Many successful Taiwanese business owners in China or Southeast Asia moved business back to Taiwan
- Big event such as concert, parade, light festival, marathon continue



Tracking the development of Covid-19 in Taiwan

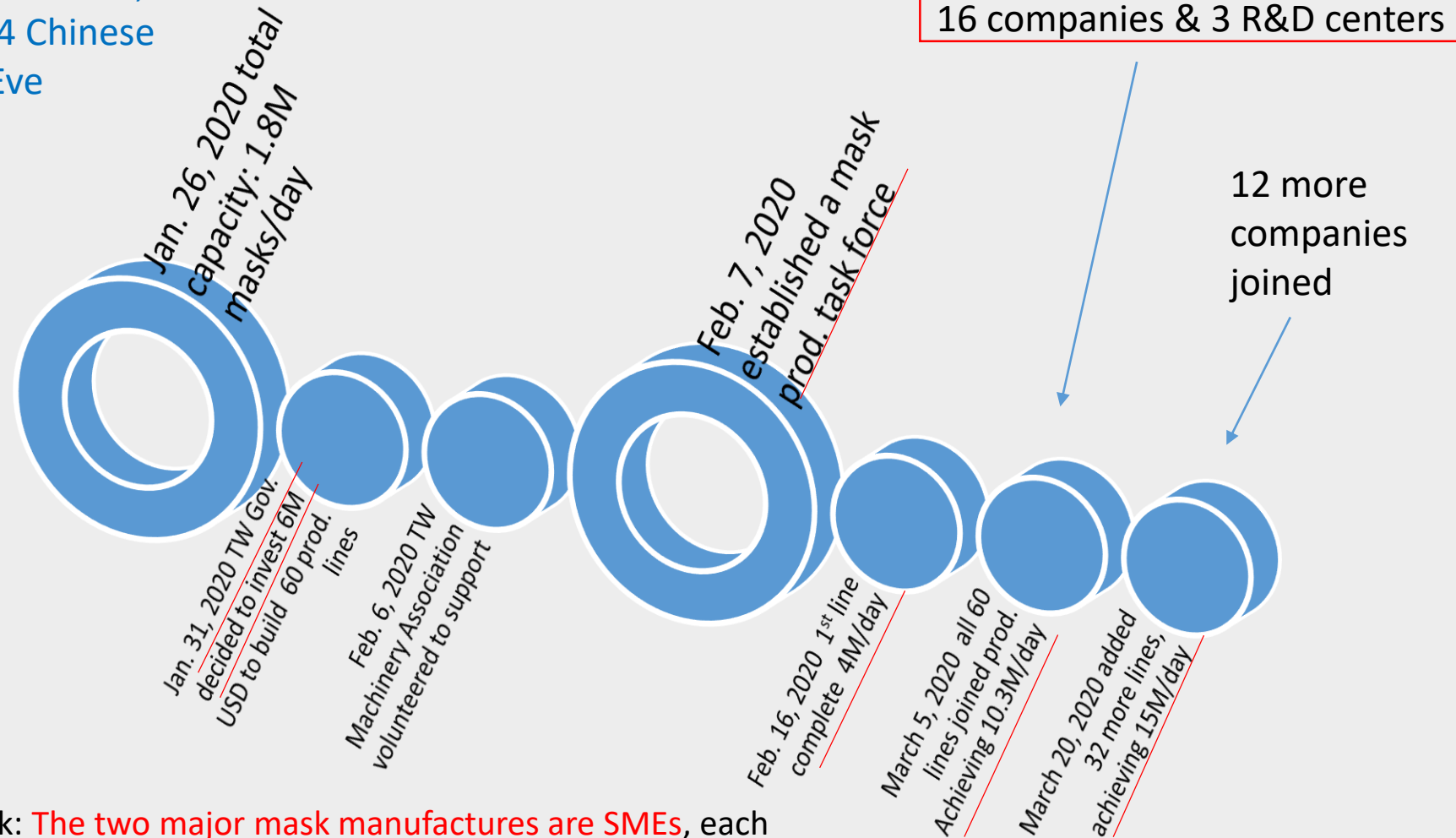


Covid-19 coping measure: Mask production **built extra 92 prod. lines in 40 days**

Presented to International students on Sept. 18, 2020 (the start of Fall 2020 semester)

Wuhan closed the city on Jan. 23, 2020

Jan. 24 Chinese New Eve



Remark: **The two major mask manufactures are SMEs**, each with less than 20 employees.



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[Overview](#)

[Data Table](#)

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WHO Coronavirus Disease (COVID-19) Dashboard
Data last updated: 2020/9/13, 1:41pm CEST

[Back to top](#)

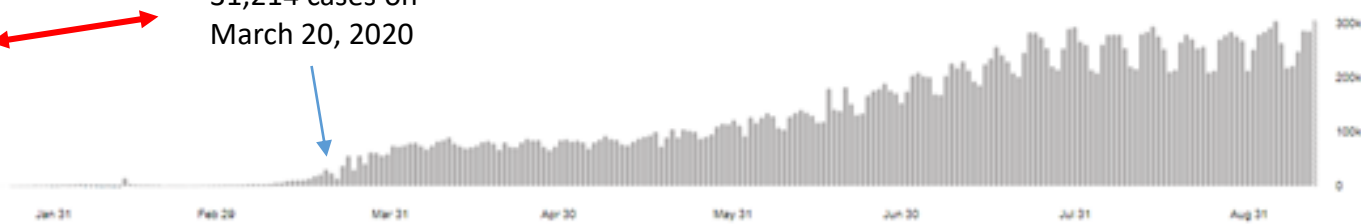
Globally, as of 1:41pm CEST, **13 September 2020**, there have been **28,637,952** confirmed cases of COVID-19, including **917,417** deaths, reported to WHO.

Global Situation

(917 times in about 6 months)

28,637,952
confirmed cases

31,214 cases on
March 20, 2020



917,417
deaths



Source: World Health Organization
Data may be incomplete for the current day or week.

Situation by WHO Region



Search by Country, Territory, or Area



[Overview](#)

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WHO Coronavirus (COVID-19) Dashboard

[Back to top](#)

Globally, as of 6:00pm CEST **25 April 2021**, there have been **146,054,107 confirmed cases** of COVID-19, including **3,092,410 deaths**, reported to WHO. As of **21 April 2021**, a total of **899,936,102 vaccine doses** have been administered.

Global Situation

146,054,107

confirmed cases

(5.1 times in 7 months)

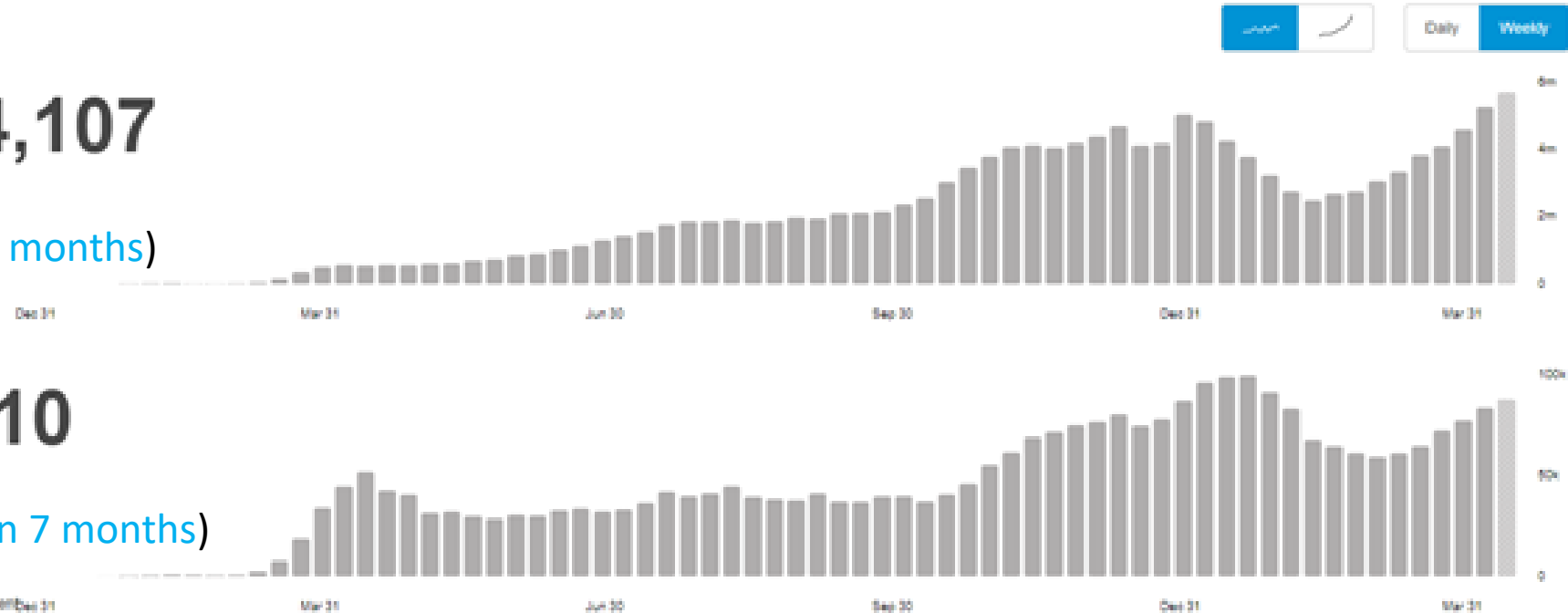
3,092,410

deaths

(3.37 times in 7 months)

Source: World Health Organization

Data may be incomplete for the current day or week.



Situation by WHO Region



[Daily](#) [Weekly](#)

[Cases](#) [Deaths](#)

[Count](#)

Covid-19 Cases Overview as of April 26, 2021

Cases overview

From [Wikipedia](#) and [others](#) · Last updated: 9 hours ago



Malaysia

Total cases
390K

Recovered
366K

Deaths
1,426



Worldwide

Total cases
147M
+849K

Recovered
84.5M

Deaths
3.1M
+13,120



[More locations and statistics](#)

Cases overview

From [Wikipedia](#) and [others](#) · Last updated: 9 hours ago



Taiwan

Total cases
1,097

Recovered
1,045

Deaths
12



Worldwide

Total cases
147M
+849K

Recovered
84.5M

Deaths
3.1M
+13,120



[More locations and statistics](#)

Taiwan allocated around 3 trillions NTD (USD108 billions) to cope with the pandemic

Designated website for easy access to relevant information and results, with 4 main categories: (<https://1988.taiwan.gov.tw/>)

- Epidemic prevention (blue logo)
- Bail out (brown logo)
- Revitalization (green logo)
- Results (purple logo)



Examples of government support

Business

- Waive payment
- Payment reduction
- Hold or postpone payment

Individuals


- Unemployment subsidiary USD667/month
- Children's tuition for jobless family
- Subsidize USD1053 for the employer who hires a jobless person

Types of major bail out to cope with Covid-19 pandemic in Taiwan

Date	Sponsor /items	Condition	Unit/org. benefited #	US\$ (Approx.)
March 31, 2021	Public banks	Bail out	85,485 families	30.48 billions
Jan. –June, 2021	Public organizations	Reduced rent by 20%	2010 organizations	3.3 millions
Sept. 10, 2020	Public real estate	Hold over rent	218 cases	8 millions
2020	Public real estate	Reduced rent	191,000 households	31.54 millions
2020	Income tax	Waived	-	192 millions
2020	Income tax	Hold over tax	45,828 units	3 billions
2020	Profit tax	Reduced tax	962,702 firms	8.8 millions
March 31, 2021	Vehicle tax	waived	192,310 vehicles	44.35 millions
March 31, 2021	House tax	Waived for tourism & hotels	3,015 cases	7.8 millions
		Exchange rate: 28.5	Total	33.78 billions
			Around	One trillion NTD

Taiwan on the road to economic recovery

- Outstanding epidemic prevention performance (12 deaths as of April 26, 2021)
- Domestic economic activities gradually **resumed from July 2020**
- Taiwan government provided **Triple Consumer Coupon** (NT\$1000 in exchange for NT\$3000 coupon) for every citizen, including foreigners with legal alien residency for almost any purchase. Some stores gave further discounts for using consumer coupon.
- Consumption recovers from the 3Q of 2020, business of some stores were even better than before the pandemic.
- Generally speaking, **life is back to normal**, although mask is required in public places.

The background features a map of Southeast Asia, including parts of Cambodia, Vietnam, Thailand, Malaysia, Brunei, and Indonesia. The South China Sea is labeled. To the right, a map of Taiwan is shown with major cities like Taipei, Taichung, Tainan, and Kaohsiung marked. A Malaysian flag is positioned in the lower center. At the bottom, a blue silhouette of a city skyline is visible. The text is centered over the map.

Some coping measures of Taiwanese companies, based on 58 respondents' data collected in April 2021

Survey of Covid-19 Impact – 58 respondents

Category	Type	Frequency	Percentage
Respondent (n=56)	Founder	15	26.8%
	High level	18	32.1%
	Middle level	16	28.6%
	Basic level	7	12.5%
Industry (n=55)	Manufacturing	18	32.7%
	Service	37	67.3%
Size (n=58)	SME	41	70.7%
	Large Co.	12	20.7%
	N/A	5	8.6%
Revenue (n=54)	Under -10%	4	7.5%
	-20%	10	18.5%
	-30%	11	20.4%
	Over -30%	8	14.8%
	Same	15	27.8%
	Growth	6	11.0%
Recovery (n=58)	Yes	44	75.9%
	Not yet	6	10.3%
	N/A	8	13.8%
Time of recovery (n=44)	2Q 2020	10	22.7%
	3Q 2020	4	9.1%
	4Q 2020	8	18.2%
	1Q 2021	9	20.5%
	N/A	13	29.5%

Profile of the 58 respondents

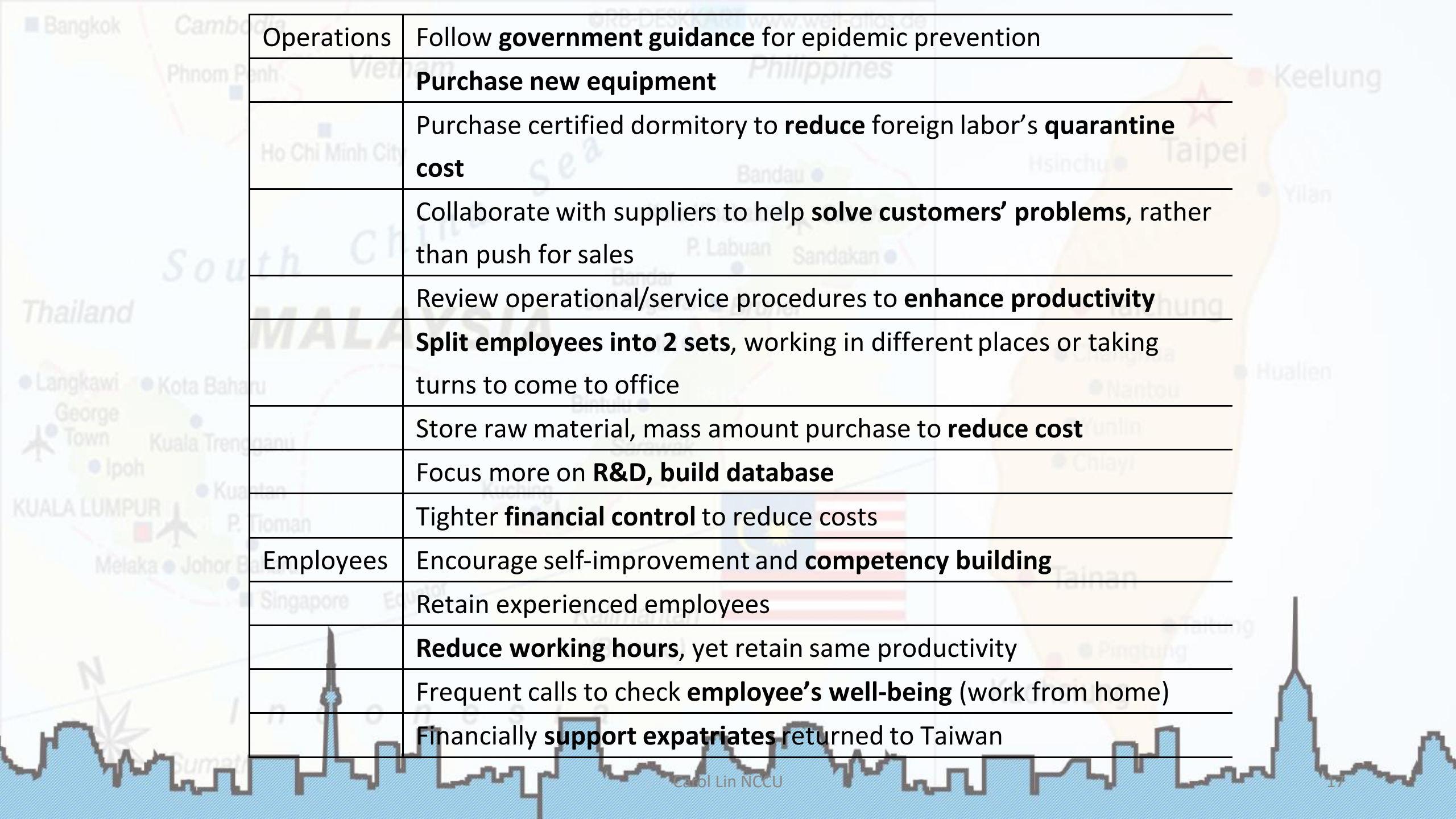
1. Founder + High level: about 60%
2. Service: about 67%
3. SME: about 71%
4. Revenue unaffected: about 40%
5. Recovered: 76%
6. Recovered by 2020: about 50%



Questions: What are the two most serious problems caused by the Covid-19 ? What were your coping measures?

Some Covid-19 Coping Measures of Taiwanese Companies

Common coping measures	Cost down, cut manpower, transfer to digital (no-contact) service, increase employee training, online training, explore new customers, provide well sterilized working environment
External	Change to lower voltage power supply to reduce electricity cost
	Enhance customer relations management to increase customer's loyalty
	Offer customers free mask , frequent store sterilization
	Explore/develop domestic markets , offer discounts
	Rebranding to match market trend, such as home/health products
	Allow quantity reduction in exchange for delivery as scheduled
	Support franchisers to boost their confidence
	From after-service to customer's caring



Operations	Follow government guidance for epidemic prevention
	Purchase new equipment
	Purchase certified dormitory to reduce foreign labor's quarantine cost
	Collaborate with suppliers to help solve customers' problems , rather than push for sales
	Review operational/service procedures to enhance productivity
	Split employees into 2 sets , working in different places or taking turns to come to office
	Store raw material, mass amount purchase to reduce cost
	Focus more on R&D, build database
	Tighter financial control to reduce costs
Employees	Encourage self-improvement and competency building
	Retain experienced employees
	Reduce working hours , yet retain same productivity
	Frequent calls to check employee's well-being (work from home)
	Financially support expatriates returned to Taiwan

Some coping policies

- No overdue salary
- No firing
- Explore new channels
- Explore new product/service
- Some still need to close down business



Empty night market



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Empty restaurant



Food take out

Pros and cons of Covid-19 lock down

- Strict social distance, zero interaction
 - business shot down (retails, restaurants, food stands, gym, tourism...)
 - + food take out, Uber-eats, Food panda, car sales up
- Work from home
 - transportation industries
 - + online meeting (Zoom), facilitate digitalization (especially SMEs)
 - + home gym, online courses/programs...
- Reduced tourist (70% reduction)
 - hiking unemployment rate in airline companies, tour guides, hotels, recreation...
 - + airline VIP meal sold in 7-11
 - + pseudo travel

Rationale of coping measures

- Scale economy → focused market
- Smaller scale, yet bigger service
- Develop intelligence economy, shared economy
- Competitors → collaborators
- Help customers succeed (Customer Success Manager, CSM)
- Work on customer loyalty rather than develop new customers
- Retain customers with high revenue contribution through:
 - Excellent service
 - Great experience
 - Firm commitment
 - Think ahead and create customer's need (big data analysis)

Things revealed in this adversity

- Better care for customers
- Better care for employees
- It is possible to do more with less
 - More efficient/effective production/service
- Invest/purchase more (bargain for lower price)
- More time on R&D, have time to build database
- Fast response to Covid-19
 - about 40% unaffected or with growth
 - About 22.7% recovered in the 2Q of 2020
 - About 76% of the companies surveyed had recovered

**Adversity is the first
path to truth.**

-Lord Byron

Taiwan's economic recovery



Features of SMEs in Taiwan

- SMEs in Taiwan – 97.65% (2019)
- Family business – around 60%
- High savings (relatively resilient to negative external impact)
- General characteristics of successful SME family business in Taiwan

Affluent in cash



Conservative



In niche market



Personal Savings in Taiwan increased to 2013600 TWD Million (USD70,653m) in 2019 from 1944200 TWD Million in 2018.



Taiwan Gross Savings Rate was measured at **39.3 % in Dec 2020**, compared with 39.0 % in the previous quarter. From Mar 1966 to Dec 2020, an average **rate** is 31.2 %.

<https://www.ceicdata.com/en/indicator/taiwan/gross-savings-rate#:~:text=Taiwan%20Gross%20Savings%20Rate%20was,an%20average%20rate%20of%2031.2%20%25.>

Malaysia – 24.2% (Dec. 2020)

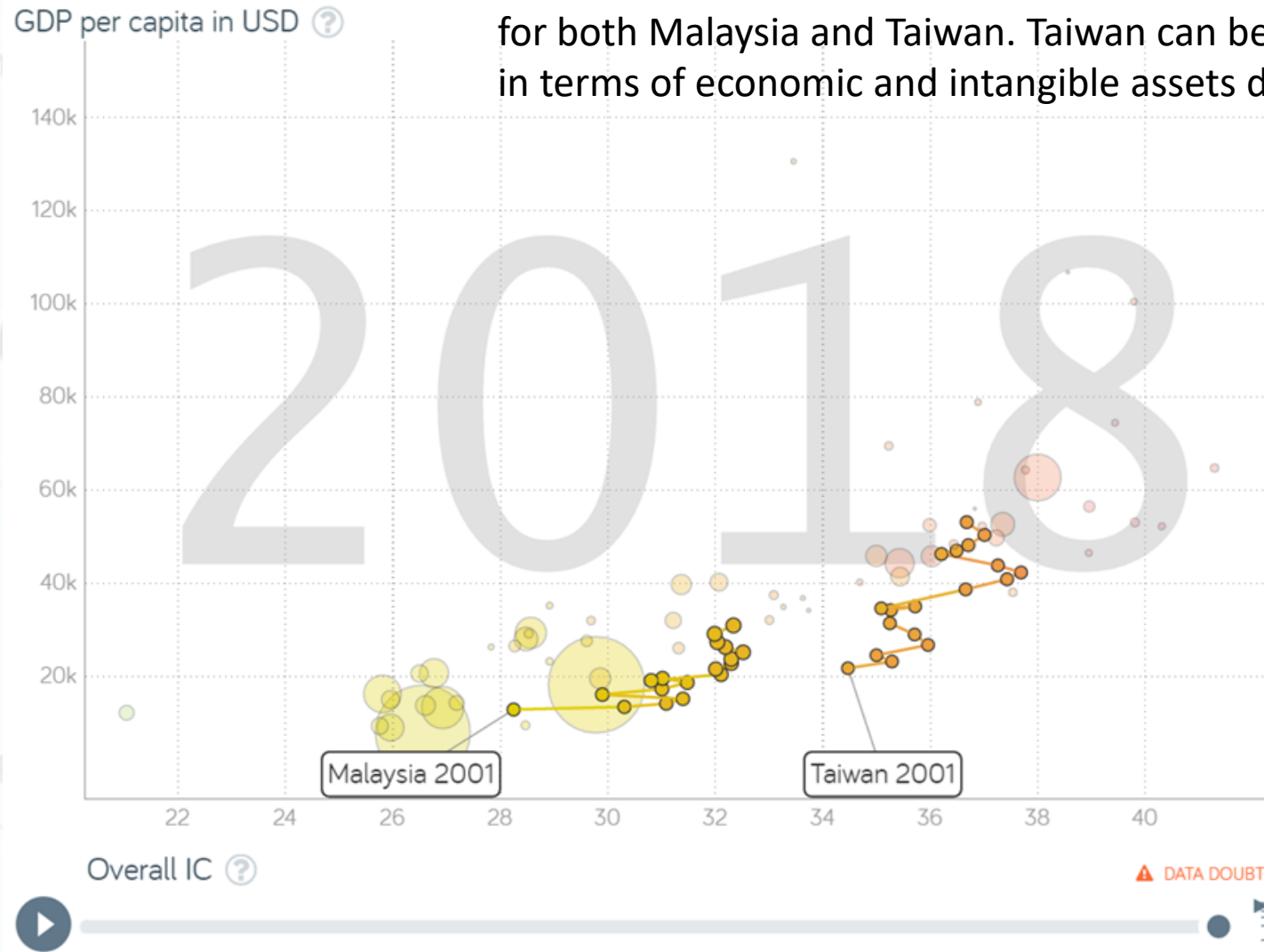
<https://tradingeconomics.com/taiwan/personal-savings>

A map of Southeast Asia and Taiwan. The map shows Malaysia, Singapore, Brunei, and parts of Thailand, Vietnam, Cambodia, and the Philippines. Major cities like Bangkok, Phnom Penh, Ho Chi Minh City, Kuala Lumpur, and Taipei are marked. The South China Sea is labeled. At the bottom, there is a blue silhouette of a city skyline. The title 'Future collaboration between Malaysia and Taiwan' is centered over the map.

Future collaboration between Malaysia and Taiwan

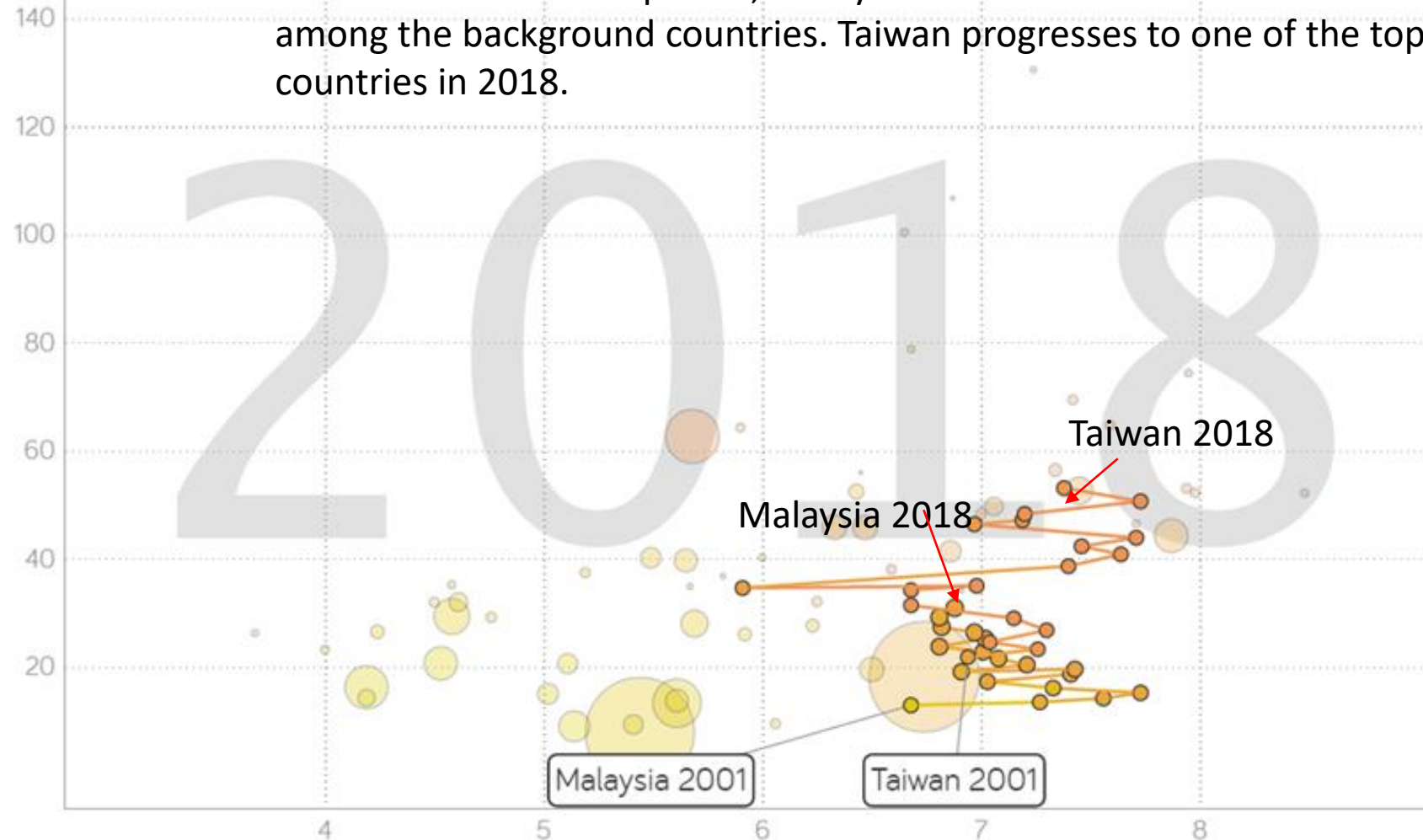
Data are from the database of IMD (Institute for Management Development, Switzerland) constructed by the presenter

Positive correlation between National Intellectual Capital and GDP for both Malaysia and Taiwan. Taiwan can be a model for Malaysia in terms of economic and intangible assets development.



GDP per capita in USD ?

For sustainable development, Malaysia is in the middle among the background countries. Taiwan progresses to one of the top countries in 2018.



Color Renewal

0.23 2 4 6 8.11

Select

- ☒ Taiwan
- ☒ Malaysia
- ☐ Argentina
- ☐ Australia
- ☐ Austria
- ☐ Belgium
- ☐ Brazil
- ☐ Bulgaria
- ☐ Canada
- ☐ Chile
- ☐ China
- ☐ Colombia
- ☐ Croatia

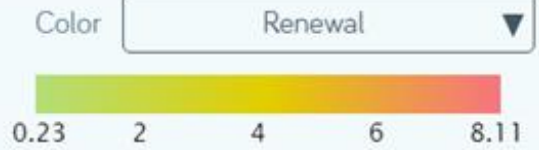
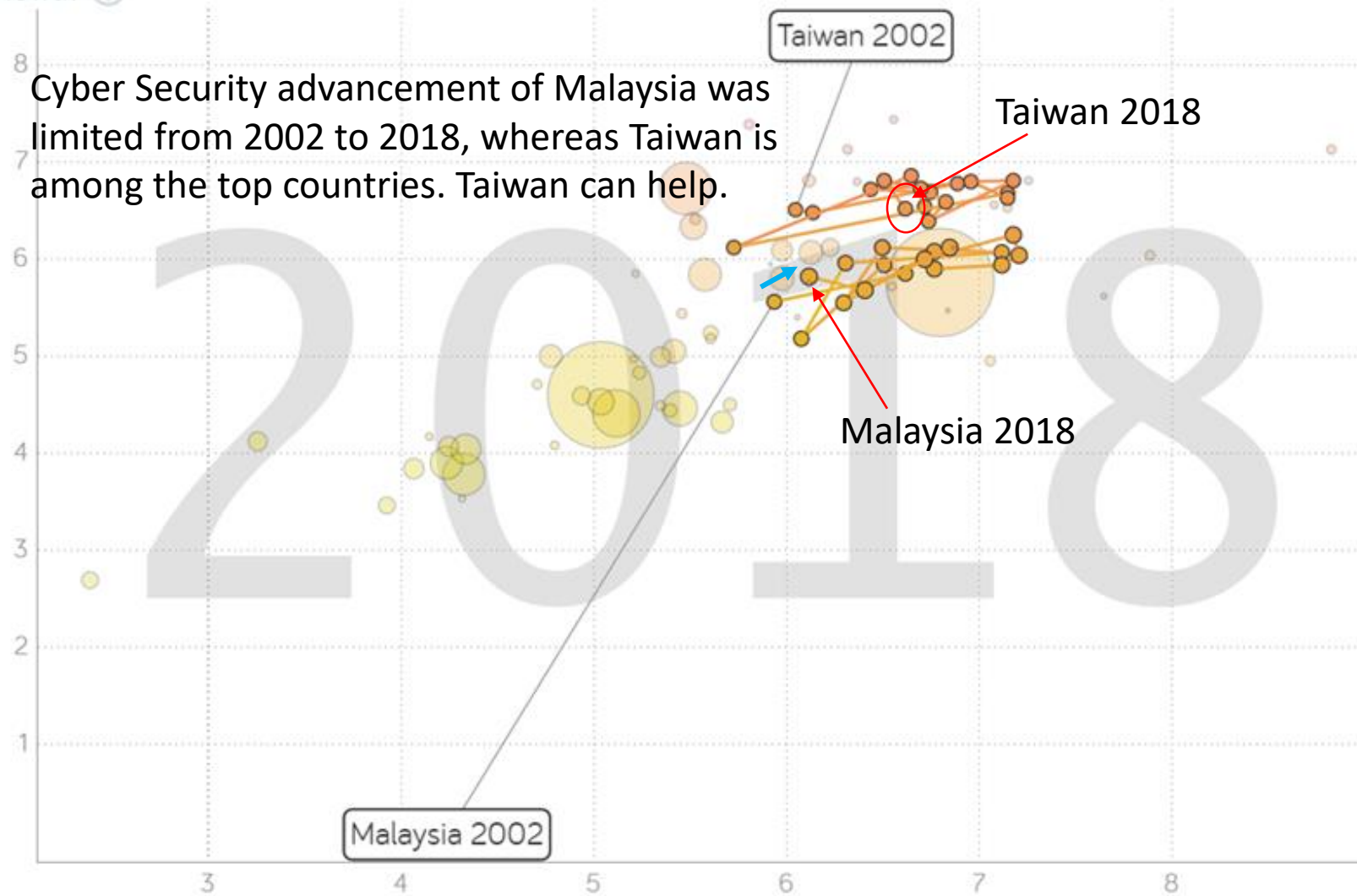
☐ DESELECT

Size Population (000)

Zoom

Renewal ?

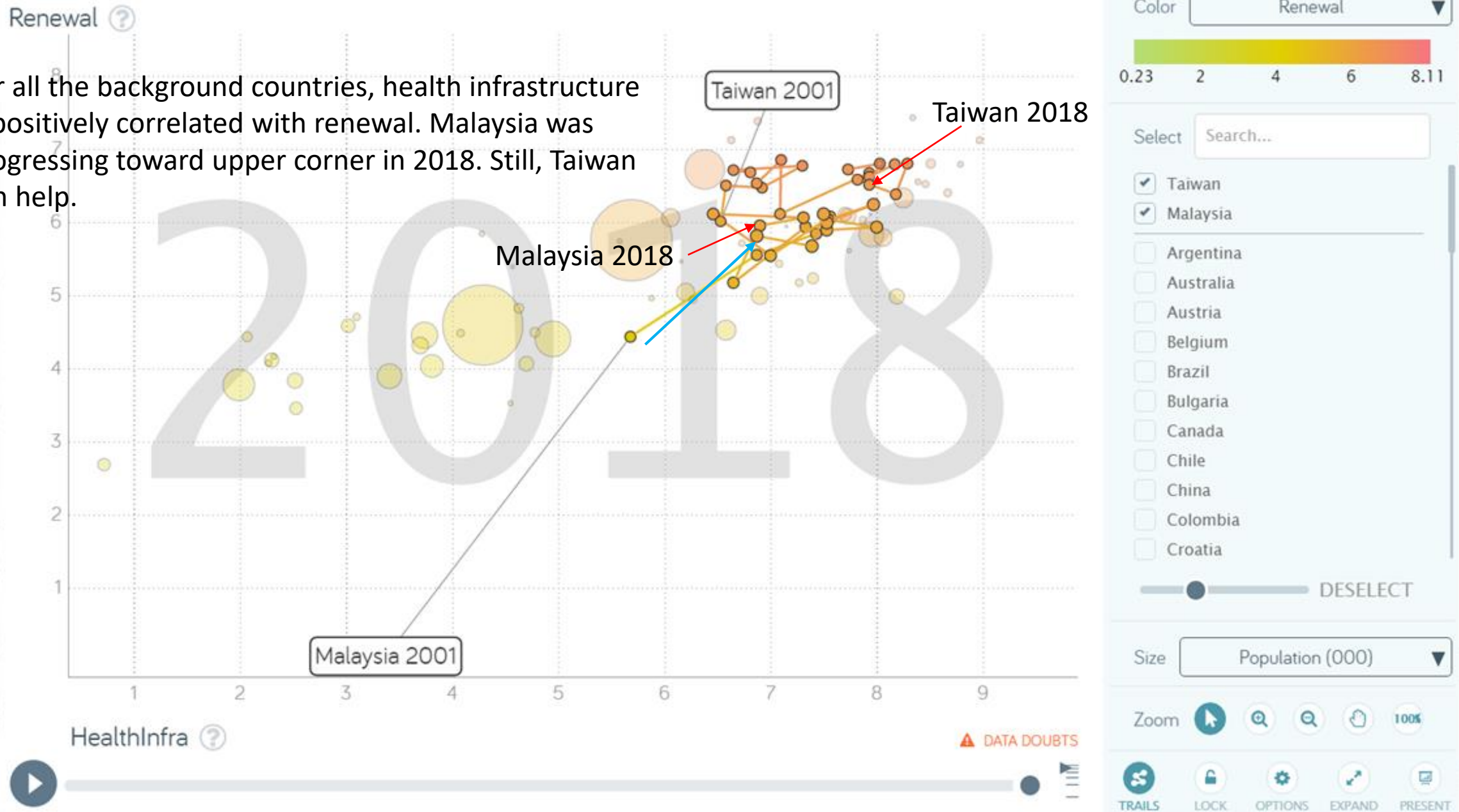
Cyber Security advancement of Malaysia was limited from 2002 to 2018, whereas Taiwan is among the top countries. Taiwan can help.

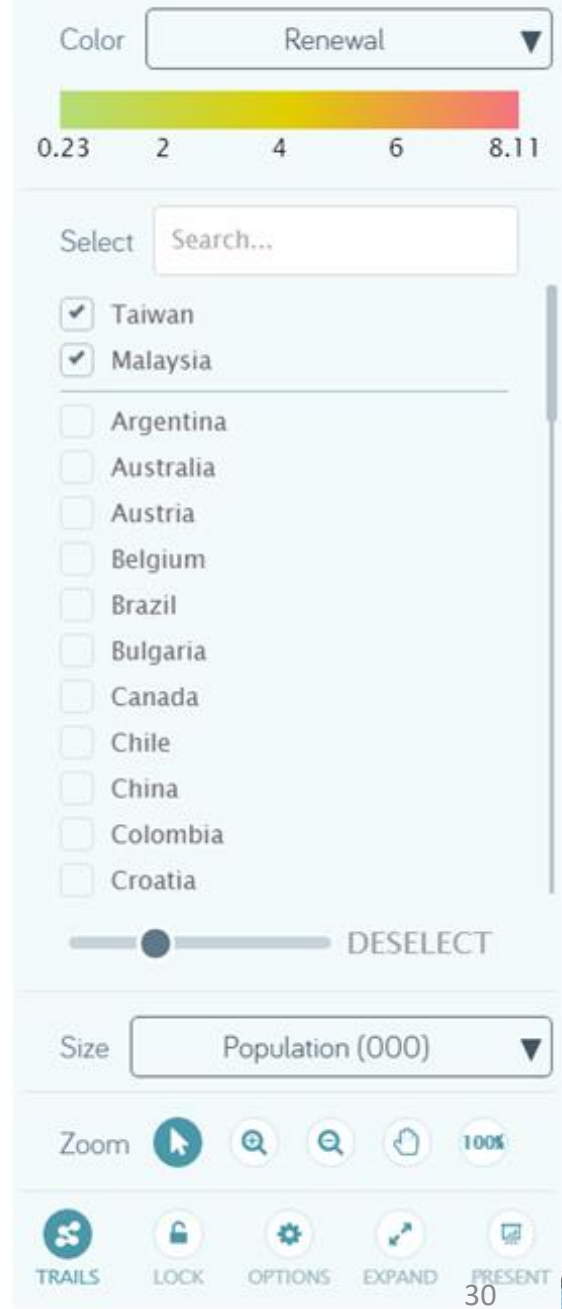
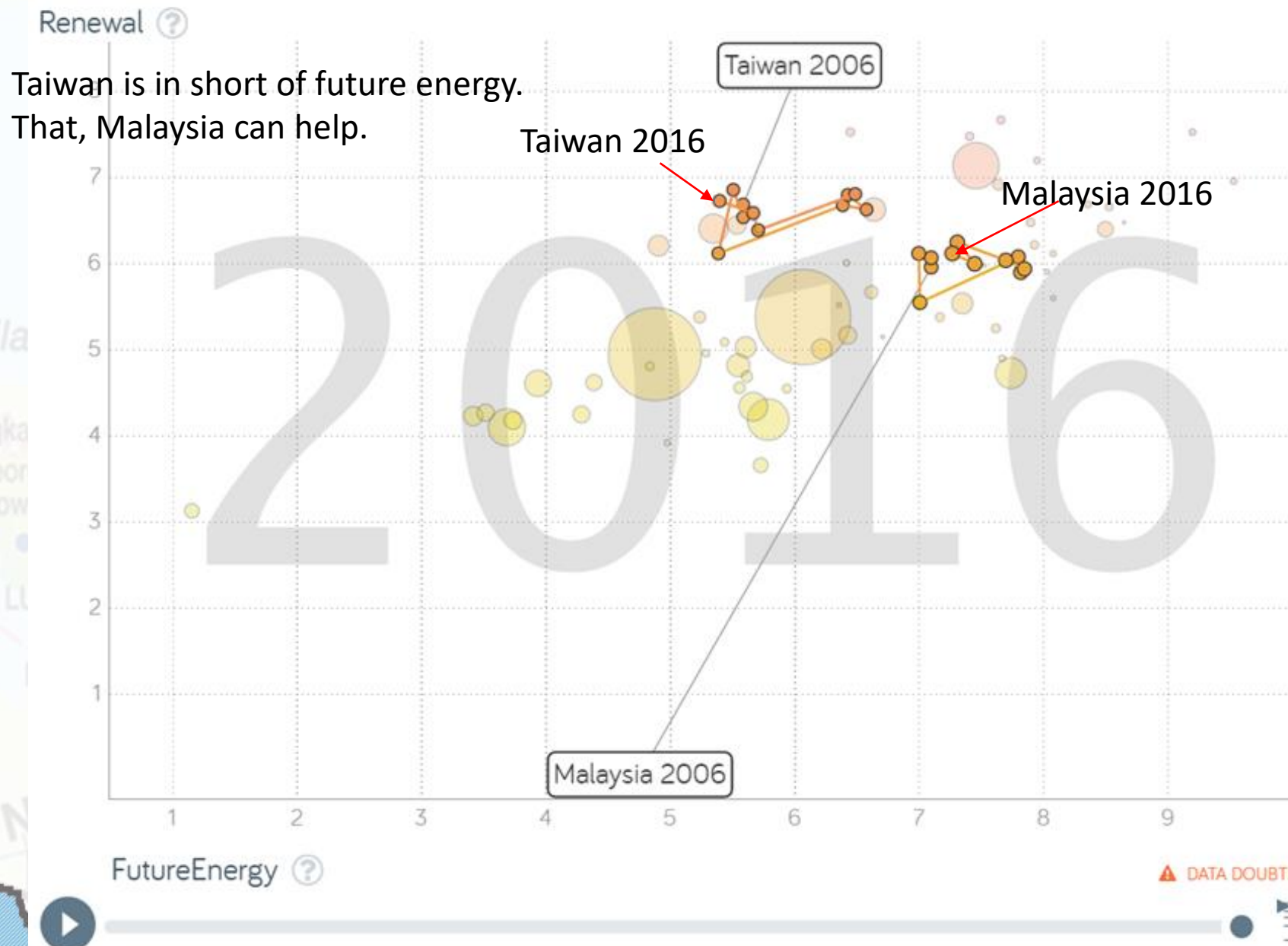


CyberSecurity ?

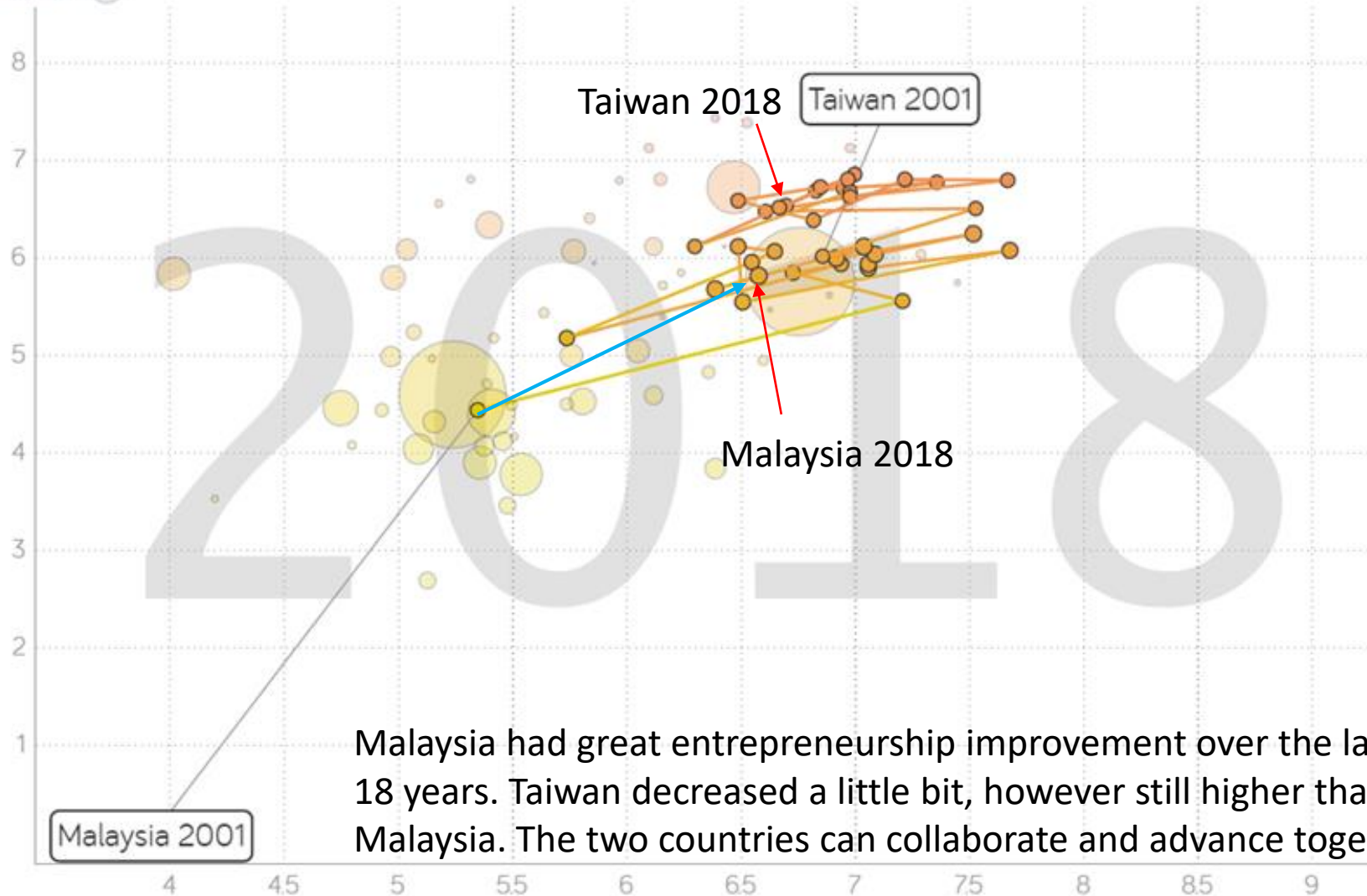
DATA DOUBTS

For all the background countries, health infrastructure is positively correlated with renewal. Malaysia was progressing toward upper corner in 2018. Still, Taiwan can help.





Renewal ?



Malaysia had great entrepreneurship improvement over the last 18 years. Taiwan decreased a little bit, however still higher than Malaysia. The two countries can collaborate and advance together.

Entrepreneurship ?

Color

Renewal

0.23 2 4 6 8.11

Select

Search...

- ☒ Taiwan
- ☒ Malaysia
- ☐ Argentina
- ☐ Australia
- ☐ Austria
- ☐ Belgium
- ☐ Brazil
- ☐ Bulgaria
- ☐ Canada
- ☐ Chile
- ☐ China
- ☐ Colombia
- ☐ Croatia

DESELECT

Size

Population (000)

Zoom

TRAILS

LOCK

OPTIONS

EXPAND

PRESENT



For all the background countries, knowledge transfer is positively correlated with renewal. Malaysia showed great improvement. Yet, Taiwan can help with the dual development of both knowledge Transfer and renewal.

Conclusion

- Malaysia ranks the first (about 32%) of international students in Taiwan, followed by 22% from Vietnam. Malaysians work as engineers in Taiwan is about 22%, higher than the 15% of Japanese.
(<https://www.stat.gov.tw/public/Data/9729162630MKFOK1MR.pdf>)
- Such relationship among the two countries can forge a closer tie in the future, especially in the knowledge and innovative era.
- Even though Taiwan has better performance than Malaysia in various fields, the median age and population growth of Taiwan (42.3/0.04%) vs. Malaysia (29.2/1.06%) show a promising joint-development
(<https://www.cia.gov/the-world-factbook/countries/>)
- A win-win collaboration should be explored for the post pandemic economic recovery, as well as the intangible national intellectual capital development.



Thank You!

