



Agribusiness Supply Chain Management System

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Introduction

- Agriculture is vital to Malaysia's economy. In 2018, the agriculture sector contributed 7.3% (RM99.5 billion) to Malaysia's GDP, with oil palm accounting for 38% (Chellam, 2020).
- In the National Cooperative Policy 2002-2010, the Malaysian Government has targeted the cooperative movement as the fourth generator of economic growth after services, manufacturing, and agriculture, that expected to contribute 5% of the GDP in 2013 and 10% by 2020. However, in 2008, cooperatives contributed just only 1% of the GDP.
- One of the reasons is their inability to manage the supply chain of agricultural products (Idris et al., 2011).



Introduction

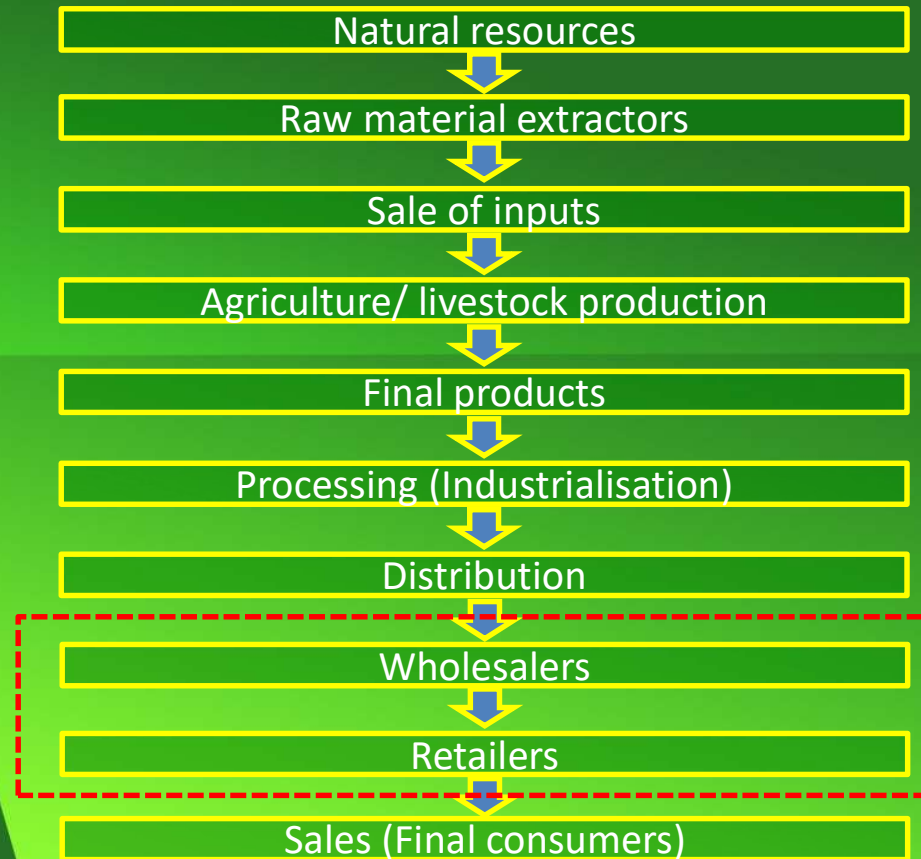
- The maintenance of a functional food supply chain is important in ensuring food can be provided to consumers continuously. However, there is dumping and wastage of agricultural products in Malaysia.
- The restrictions on traffic and market operating hours during the Movement Control Order (MCO) have further affected the supply chain of agricultural products, especially for vegetables and raw food.
- It is not just the lack of an integrated logistics system that is causing a disconnect in the agribusiness supply chain (Surendran, 2020) and causing the overall issues in the supply chain.
- Man et al. (2009) also highlighted that the current supply chain management lacks attributes, such as the issues of consumer packaging, branding, and the promotion of farming towards sustainable agriculture.

Objective

- The main objective of this research is to provide a recommendation for a systematic agribusiness supply chain management system.

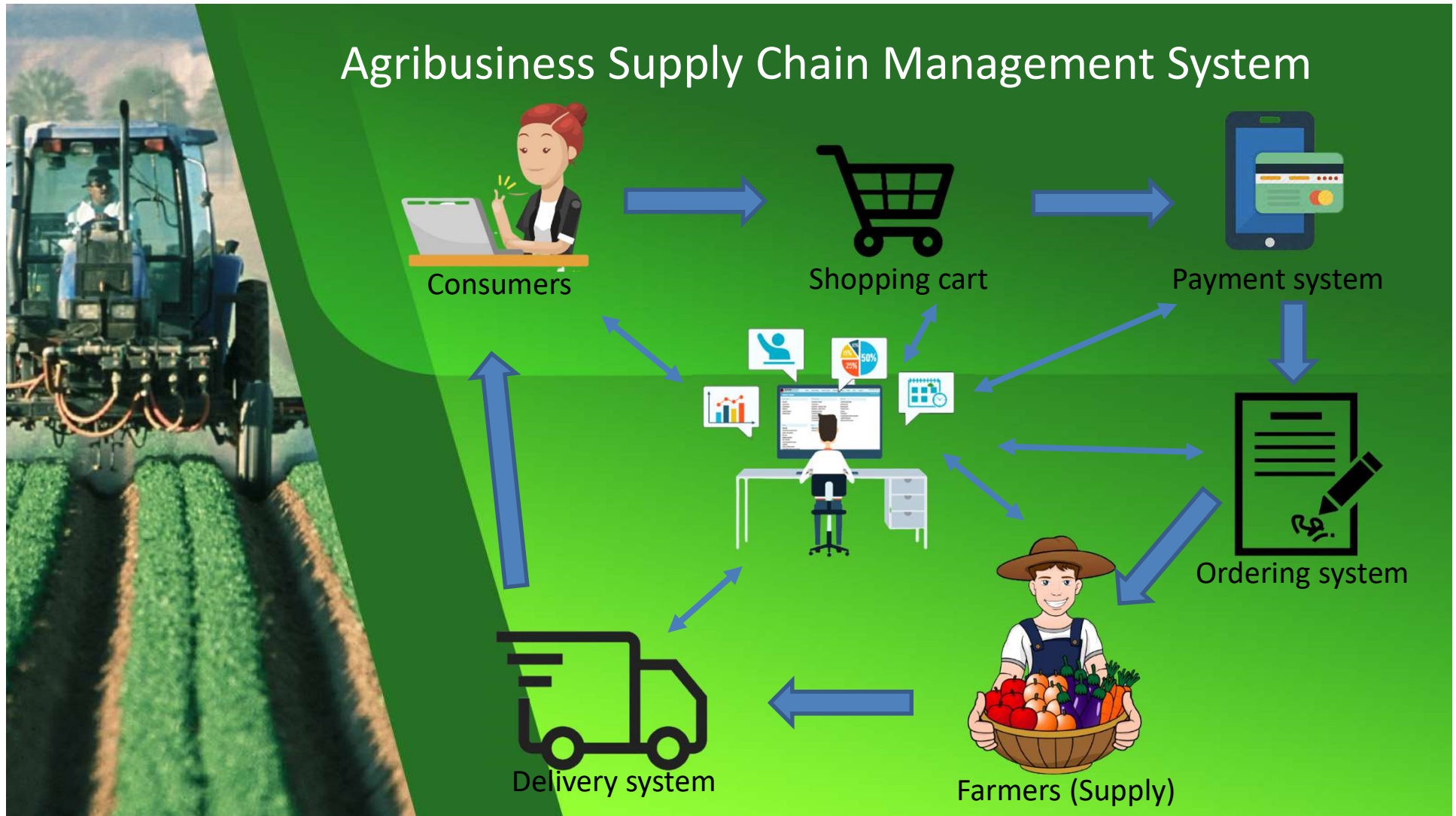


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Source: Kureski et al. (2015)

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Benefits/ Trends

- More agility (can predict and identify potential problems and solutions)
- Sustainability (Better collaboration, Improved quality control, Higher efficiency rate, Keeping up with demand, Shipping optimisation, Reduced overhead costs, Improved risk mitigation, Improved cash flow ([Gomez, 2019](#))
- Blockchain
- Big data
- Omnichannel (a direct and convenient shopping experience)
- AI and Machine Learning
- The speed of Supply Chain as a Service (SCaaS) business model ([Hamilton, 2020](#))

	Total visits
Shopee	51.24 mil
Lazada	12.24 mil
PGMall	10.95 mil
Mudah	5.08 mil
Zalora	984.49K
Qoo10	331.14K
Lelong	96.13K



Conclusion

- In general, the supply chain requires the continuity of several chains such as agricultural production, post-harvest handling, processing, distribution and retail, and consumption and post-consumption.
- Effectiveness of communication and coordination among these system elements and functional areas.

Need Recognition

Search for
Information

Evaluation of
Alternatives

Choice

Post-Choice
Evaluation

(Babin and Harris, 2021)

