



MGT657

STRATEGIC MANAGEMENT

AJINOMOTO

JBM2425A

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EXECUTIVE SUMMARY

This report is about the strategic management practices that implemented by a seasoning company which is Ajinomoto Malaysia. Apart from that, this report identifies the current strategies and activities, strengths, weaknesses, opportunities and threats. Ajinomoto is a Japan-based company which operates food and beverages line of products specializes in seasoning. The name of AJI-NO-MOTO brings the meaning of “essence of taste”. Ajinomoto Malaysia is focusing on UMAMI seasoning products. Ajinomoto Malaysia current vision is to be the most trusted and beloved food company by contributing to the society through more joyful and healthier diet, providing No. 1 delicious products and services with pride of our staff. While the current mission is to bring smiles and contribute to wellbeing with consumer-oriented food products and services.

It is difficult to maintain and sustain in the industry with less variety of products. In addition, the main product from Ajinomoto Malaysia is highly controversial product as many people talk about it due to the feeling of unsure about the effect of consuming the UMAMI seasoning. This is the common issue that Ajinomoto Malaysia needs to face and must continuously find the way to overcome it. Despite of the continuous issue, Ajinomoto has wide opportunities in this industry. The biggest opportunity for Ajinomoto is that the consumption of MSG products of Asian people is the highest. In Malaysia, Ajinomoto is the only company that produce MSG product but somehow there are so many substitute seasoning products in Malaysia. Other than that, most people want instant type of food in this modern world. Ajinomoto could take this opportunity as the demand for processed and easy-to-prepare food is increasing.

When there is an opportunity, there must have threat arises. The biggest threat for Ajinomoto is the tight competition from other producers. It will lead the customers to switch their product preferences easily. Besides that, Ajinomoto might be affected by the changes of economic condition. This is because Ajinomoto’s products do not affect people’s lifestyle, so customers can easily stop buying Ajinomoto due to the other priorities.

Next, the strategies used in this report are SWOT Matrix, SPACE Matrix and IE Matrix. For SWOT Matrix, there are four strategies which are SO, WO, ST and WT that may be adopted by Ajinomoto in order to embrace their strengths, reduce their weaknesses, take advantage on their opportunities and avoid the external threats. In SO strategies, Ajinomoto may produce the new product that suit customer's need and preferences and increasing their export activity to Muslim Asian country. While in ST strategies, Ajinomoto

can increase the market share and at the same promotes the existing product through greater marketing effort. In WO Strategies, Ajinomoto should increase the product line in Malaysia to become the market leader and do more innovation on the existing products. Finally, Ajinomoto can overcome the aggressive marketing activities by having a cooking show and introducing the other existing product line into Malaysia.

Other than SWOT matrix, the other strategies such as SPACE matrix and IE matrix also has been used in this study. From that SPACE matrix, Ajinomoto should pursue an aggressive market which they can implement the integration strategies, market penetration, market development, product development and diversification either related or unrelated. As for IE matrix, it is used to analyse the correlation between internal and external factors between Ajinomoto and its competitors.

From all of the strategies above, Ajinomoto is recommended to healthily compete with its competitors and expand internally in order to sustain and stays competitive and profitable company. In term of financial strategy, Ajinomoto should maintain their low price and a high quality of product so that they can generate sales through the confidence and loyalty of their satisfied customers.

1.0 INTRODUCTION

Ajinomoto the world's first and still largest producer of monosodium glutamate (MSG), is one of Japan's largest food processing company. In addition to seasoning , Ajinomoto produces edible oils, frozen and processed food, beverage and dairy product, amino acids, pharmaceuticals and other specialty chemical. Although the company has operation in 20 countries, it derives nearly 80 percent of its revenue in its domestic sphere.

In the year 1907, Dr. Kikunae Ikeda as a chemist, started to develop UMAMI taste from Konbu seaweed. He established the first manufacturing seasoning which is monosodium glutamate. Its registered trademark of Lady & AJI-NO-MOTO and started production in Zushi factory in 1908. On 20th May 1909 Ajinomoto has been launched in Japan. The company mainstay for more than 80 years since 1908. Ikeda, Saburosuke and Chuji Suzuki begin market the AJI-NO-MOTO in 1909 which brought the meaning of "essence of taste".

Ajinomoto has expanded their product in many countries as the rapid growth of the product. However, a few companies in certain countries were unable to sustain the product including the factory in Tokyo, Shanghai and Singapore. Therefore, the company focused on international sales and established a strong base in chemical development at its inception.

In 1960, the company took larger strides towards internationalization which most oversea growth was limited to expand the production of seasoning in Asian and South America. One of the factories that has been established is in Malaysia as the Ajinomoto (Malaya) Co. Ltd. which the operation still running until now. In Malaysia, Ajinomoto focusing on a wide range of savoury seasoning product which call as "TENCHO". It is widely used by the industrial in the food processing.

In 1999, Ajinomoto introduced their corporate logo to public. As 2000's Ajinomoto growth drastically by producing many other products such as pharmaceutical product, frozen food and coffee. In 2010, the slogan of Ajinomoto has been introduced, "EAT WELL, LIVE WELL" , and use it until now in their operation.

Ajinomoto Co. Has been dedicated to the improvement of nutrition and promotion of human health by increasing the palatability of affordable and sustainable food resources. Nature of the business is food industry, but the nature of product is seasoning food. For the overall, the revenue for the Ajinomoto Co. is RM

447,730,739 and for the profit is RM 56,477,010. It can be seen at Bursa Malaysia that are recorded the annual financial statement for the Ajinomoto Co.

The company was the one of the first Japanese joint venture company's setup in Malaysia in 1961. Since then, it has become a household name for many Malaysian homes. This company employs 32 734 employees in 2017 for overall branches.

2.0 COMPANY MISSION AND VISION

2.1 AJINOMOTO CURRENT MISSION:

Ajinomoto group's mission is to contribute to the world's food and wellness, and to better lives for the future. That is why they strive for ASV (The Ajinomoto Group Creating Shared Value) initiatives for the purpose of resolving social issues through their business and also enhance economic value by creating shared value with society and local communities. Meanwhile, Ajinomoto Malaysia's mission is to bring smiles and contribute to wellbeing with consumer-oriented food products and services.

2.2 AJINOMOTO CURRENT VISION:

As for the vision, it is to become the genuine global food company group with specialties guided by their leading-edge bioscience and fine chemical technologies. Ajinomoto in Malaysia want to be a most trusted and beloved food company by contributing to the society through more joyful and healthier diet, providing No. 1 delicious products and services with pride of our staff.

2.3 AJINOMOTO CURRENT OBJECTIVE:

As a trusted food's seasoning company in Malaysia, Ajinomoto (Malaysia) Berhad's objective is to continuously improve on the quality of its products and product range, and at the same time complying to international and local rules and regulations for food manufacturing. This is the company's contribution to the joyful and healthy living of the community and society.

2.4 NEW DEVELOP MISSION AND VISION:

We are on a mission to offer the best possible extensive line of food seasoning products (Product) for almost every household (Customer) around the Malaysia (Market). We aim to provide our customer with healthy and finest quality products (Survival, Growth and Profitability) to ensure the highest satisfaction among them. We are determined to improve our customers' daily routine by creating innovative e-retailing (Technology) with the philosophy of "Save Time, Save Energy" (Philosophy). We empower our highly creative team of researchers (Employees) to develop safe ingredients products in order to maintain our reputation as the customer's first choice (Self-concept). Our biggest concern towards public image has persuade us to fulfil our social obligation as a responsible corporate citizen through the Corporate Social Responsibilities (Public Image).

3.0 EXTERNAL INDUSTRIAL ANALYSIS

3.1 GENERAL ENVIRONMENT (LIST OF EXTERNAL FORCES OF AJINOMOTO)

3.1.1 ECONOMIC FORCES

3.1.1.1 INFLATION RATES

Inflation rates shows a decline from 1.5% to 1.4% in 2019. This will give advantages to Ajinomoto as some of the products price will reduce and people will start to spend more.

3.1.1.2 CONSUMPTION PATTERN

Consumption patterns shows an increase in their trend in year 2019 from RM 198 724 000 to RM 203 388 000. This shows that people nowadays love to spend more for both their needs and wants

3.1.1.3 GROSS DOMESTIC PRODUCT (GDP)

GDP in year 2019 shows an increase in trend as compared to 2018 which is from 4.4% to 4.9%. When the GDP growth is strong, firms will start to employ more workers and pay higher salary and wages. This will result in increasing of spending by the consumers.

3.1.1.4 ATTITUDE TOWARD SAVING

Malaysia Government has decreasing OPR from 3.25% to 3.00%. This is a way to attract consumer to increase spending and borrowing instead of saving.

3.1.2 SOCIAL, CULTURAL, DEMOGRAPHIC AND NATURAL ENVIRONMENT FORCES

3.1.2.1 LOCATION OF RETAILING/MANUFACTORY/SERVICE BUSINESS

Ajinomoto factory are located at strategic location which is in urban. By having their factory in urban area, it is easy for them to allocate and distribute their products to the retailers and other suppliers

3.1.2.2 ATTITUDES TOWARDS PRODUCT QUALITY

Ajinomoto is not only known for their low-price products but also for their higher quality. This can be seen from the uses of natural resources for their main ingredients which they used bagasse of sugar cane in processing Ajinomoto.

3.1.3 TECHNOLOGY FORCES

3.1.3.1 DIGITAL MAREKETING

Ajinomoto did not exploit much on digital market. So, they should use digital market strategies in order to sell their product and to boost their sales.

3.1.3.2 ONLINE RETAILING

One of the disadvantages that we found in Ajinomoto that, they did not start their online retailing yet even though many of retail shop have to use online retailing to ease their customers to make a purchase.

3.1.4 POLITICAL FORCES

3.1.4.1 POLITICAL STABILITY

Malaysia have face political stability since last political election in year 2018. The lack of political stability of a country effects more on business operation. This shows on the sale of Ajinomoto which increases in year 2019 compared to 2018 due to political stability.

3.1.4.2 EMPLOYEMENT LAW

Employment law are made to protect the employee's right. Ajinomoto promoting PDCA cycle using engagement survey, reforming organizational culture to promote diversity, training and promotion of female employees, promoting health management, human rights training awareness and occupational safety and health management in order to promote equality in employment.

3.1.5 COMPETITIVE FORCES

3.1.5.1 GOOD CORPORATE GOVERNANCE

In terms of competitive forces, Ajinomoto have made variety efforts to differentiate their products from their competitors. They have applied a few corporate governances which are raising awareness of the Ajinomoto Group Policies among all Group employees, establishing whistle-blower hotline, strengthening corporate governance system, selecting Group wide significant risk and considering appropriate responses, managing intellectual property risk and strengthening information security through the creations of information security regulations.

3.2 INDUSTRY AND COMPETITOR ANALYSIS

3.2.1 MARKET SIZE AND GROWTH RATE AND STAGE IN GROWTH CYCLE

It can be said that Ajinomoto is facing high growth rate where recently, The Star reported that, on 13th August 2019, Ajinomoto had invested huge amount of money of RM 355 Million in opening its new factory in Malaysia. From these, we recognized that the customer with high loyalty and also new customer have higher demand for products under Ajinomoto. The new factory will enable Ajinomoto Malaysia to meet the demand which will contribute to the company's continuing profit growth and sustainability for the future business expansion. Furthermore, the sales and revenue for Ajinomoto have been increasing throughout the year where the revenue increase from RM 436,286,000 in 2018 to RM 447,731,000 in 2019. This shows that Ajinomoto really enjoying their positive growth rate as the revenue keep on increase year by year. From these, we know that Ajinomoto have reached stage of maturity where their sales and revenue keep on increasing but not declining yet, their competitors begin to increase. For example, there are many seasoning products that grow in the market such as adabi, knor, and many more. Not only the competitors begin to increase more, their price also start to decrease in order to compete with their competitors and they have variety their products and features to maintain and increase the market share.

As for Nestle that represent Maggi, The Star reported that Nestle (Malaysia) Bhd's net profit for financial year ended Dec 31, 2018, came in 2.54% higher than in the previous year at RM658.88 Million as turnover grew 4.9% to RM5.52 Billion. According to the group, the performance growth was driven by both domestic and export sales. However, it continues to see strong demand for its brands in Malaysia and has implemented plans to continue generating sustainable and profitable growth. This shows that Nestle also experienced positive growth rate as their revenue keep on increasing year by year. From the information gathered, it shows that Nestle is also in the maturity stage as their revenue and sales keep on increasing but not in phase of declining. Their price for seasoning products also decreases in order to coop with the price from competitors.

Last but not least, for McCormick, as we go through their annual report, we find that McCormick also shows an increase in their revenue and sales. Their revenue increase from RM 4 834 100 in 2017 to RM 5 408 900 in 2018. This shows that McCormick also enjoyed their positive growth rate with the increasing of their revenue. It can be said that McCormick Malaysia is at growth stage where their sales volume has been increasing as the product is getting popular. Other than that, they have increased the public awareness by promoting their seasoning product in order to ensure the sales is increasing and they can keep their customer from their competitors. From these three company, it can conclude that industry Food and Beverage (F&B) are facing with higher growth as the demand for products under F&B have increasing throughout the year.

3.2.2 NUMBER OF PLAYER AND MARKET SHARE ANALYSIS

In the Food and Beverages (F&B) industry, they have a lot of market player but there are 38 companies that have listed in the Bursa Malaysia under the F&B industry. We have chosen 3 of the market players in order to make the market share analysis which are Ajinomoto, McCormick and Maggi under Nestle.

Based on the analysis, we found that the market capitalization of Ajinomoto is 950.89 Million, Nestle is 33.956 Billion and McCormick is 22.9 Billion. This market capitalization refers to the total value of all a company's shares of stock. As for their Price Earnings ratio, we find that Ajinomoto have the lowest PE ratio among those 3 companies which is 16.08, while Nestle have the highest PE ratio which is 51.07 and McCormick has the average PE ratio which is 31.78. Lastly, the dividend yield for Ajinomoto is 3.01%, Nestle is 1.93% and McCormick is 1.37%. We can see that Nestle has the lowest dividend yield, this implies that their stock's market price is considerably higher than the dividend payments a shareholder gets from owning the stock. This may indicate an overvalued stock or larger dividends in the future.

3.2.3 MARKET ASPECT

Products and services are the outputs that every organization whether it is both or either one of them. A product is a tangible item that is put on the market for acquisition, attention, or consumption while a service is an intangible item, which arises from the output of one or more individuals. As for Ajinomoto and its competitors, most of their outputs are tangible products. Ajinomoto Malaysia is only focusing on seasoning products meanwhile other Ajinomoto could produce other product lines other than seasonings. However, Ajinomoto's competitors have more than one product lines which can give benefits to them.

PRODUCTS OF AJINOMOTO:

SEASONING

- I. Monosodium glutamate (MSG) seasoning – Umami
- II. All-in-One seasoning – Rasa Sifu
- III. Chicken stock seasoning – TUMIX
- IV. Specific readymade seasoning – SERI-AJI
- V. Flavoured pepper and black pepper – AJI-SHIO
- VI. Sugar free sweetener – Pal Sweet
- VII. Premium flavour seasoning – AJINOMOTO PLUS

PRODUCTS OF MAGGI:

SEASONING

- I. Liquid seasoning
- II. Homemade chicken stock
- III. All-in-One seasoning – Cukup Rasa, Chicken stock cube, Tomyam cube and Ikan Bilis stock cube

INSTANT NOODLES

- I. Instant pasta
- II. Sauces
- III. Mix pastes

PRODUCTS OF MCCORMICK:

SEASONING

- I. Himalayan pink salt black pepper and garlic all-purpose seasoning
- II. Garlic powder
- III. Other specific purposes seasonings

Services that are provided by Ajinomoto include the customer services in order to gain the customers' feedbacks and suggestion about either the products itself or the service by the distributor. However, Ajinomoto and its competitors share a lot of recipes made by their products through their websites.

Price is the money that customers must pay for a product or service. In other words, price is an offer to sell for a product or services. The price of the product will affect the revenue for the organization. The difference in price of different brands of seasoning can be seen in the price list below.

PRICE LIST OF AJINOMOTO:

MSG SEASONING

- I. 33g – RM0.99
- II. 100g – RM2.65
- III. 150g – RM3.65
- IV. 300g – RM5.30
- V. 500g – RM7.09

FLAVOURED PEPPER AND BLACKPEPPER

- I. 45g – RM3.85
- II. 80g – RM5.50

PRICE LIST OF MAGGI:

MAGGI CUKUP RASA

- I. 100g – RM2.99
- II. 300g – RM5.80
- III. 500g – RM8.90

LIQUID SEASONING

- I. 100ml – RM3.85
- II. 200ml – RM5.75

PRICE LIST OF MCCORMICK:

BLACK PEPPER SEASONING

- I. 25g – RM5.08
- II. 58g – RM10.17
- III. 96g – RM13.95

Promotion is an approach by marketers to inform, persuade, or remind consumers and business to business users to influence their opinion or gain the feedback or response. Most firms use some form of promotion. Because company goals vary widely, so do promotional strategies. As for Ajinomoto and its competitors, Maggi and McCormick are using Internet platform which is YouTube. Maggi is using Malaysian celebrities for their advertisements. Meanwhile Ajinomoto and McCormick use international celebrities for promoting their products. Most of them were making a cooking video in order to attract the target market to choose their product. Other than that, Ajinomoto and Maggi also promoting their products through television but somehow Ajinomoto has stopped its advertisement in television a few

years ago. McCormick is newly entered the Malaysia market, so the promotion of its products is quite less in Malaysia.

DISTRIBUTION CHANNEL OF AJINOMOTO:

There are different needs of diverse customers in diverse countries. Ajinomoto will analyse the needs based geographically then only focusing on what product to distribute. Ajinomoto believes that Asian is more attracted towards seasoning foods.

DISTRIBUTION CHANNEL OF MAGGI:

Maggi has been using a combination of two strategies which are push and pull strategy. Pull strategy offers customers to pull products from the channel. They achieve this by heavily advertising their products to the customers, and by offering discounts or promotional offers or coupons or rebates. They can have direct contact and instant payment from the end customers. While push strategy offers incentives to the sales force, advertising partners, price discounts and offer allowances for marketing activities.

But by far the best distribution till date is online distribution. The benefits are endless and growing. Thus, the companies must place the product by understanding the customers' needs and develop a strategy for the most effective distribution channels and allocate resources across channel options.

DISTRIBUTION CHANNEL OF MCCORMICK:

McCormick analysing that most of the Gen Z is hyper on trying flavoured food. Somehow, the analysis on the income that influenced the purchasing power made by McCormick only focusing in United States, but they believe that Asian really loves spices. McCormick products are manufactured in Singapore.

3.2.4 TECHNOLOGY DEVELOPMENT

AJINOMOTO MALAYSIA BERHAD

I. ENVIRONMENT- RELATED TECHNOLOGY

Ajinomoto Malaysia Berhad need to comply with all the current requirements of the environmental legislation of the country. Therefore, they are in the process of formulating detailed plans and preparations to comply with more stringent requirements of Ajinomoto Group Environmental Objectives. From our research, we can say that Ajinomoto Malaysia Berhad progress towards environmental load reduction is from the introduction of Biological Denitrification (BDN) process, which is a new additional step in the wastewater treatment, to treat the ammoniacal nitrogen in the wastewater. This is a new and advanced wastewater treatment technology adopted from the parent Company in Japan and had been fully implemented and optimized from June 2005.

II. FOOD TECHNOLOGY

The Institute of Food Sciences and Technologies had identified the key components and conducts material development by fully utilizing analysis technologies on components of deliciousness such as taste materials, flavour materials and texture improving materials. Other than that, to further guarantee the safety of food, advanced analysis technologies have been developed to determine even extremely small amounts of harmful components contained in foods.

III. PRODUCTION SYSTEM TECHNOLOGY

In order to deliver products to customers quickly, accurately and efficiently, a simple and flexible supply system that uses various production system technologies including industrial engineering and computerization has been constructed.

MCCORMICK

McCormick's use of artificial intelligence (AI) highlights their commitment to insight-driven innovation and the application of the most forward-looking technologies to continually enhance

the products and bring new flavours to market. By using IBM Research Artificial Intelligence, McCormick is ushering in a new era of flavour innovation and changing the course of the industry. AI has enabled McCormick's product developers to access the expanded portfolio of flavour profiles that enhances their creativity. This is because, the product developers across McCormick's global workforce will be able to explore flavour territories more quickly and efficiently using AI to learn and predict new flavour combinations from hundreds of millions of data points across the areas of sensory science, consumer preference and flavour palettes. This proprietary, cutting-edge technology sets McCormick apart in its ability to develop more creative, better tasting products and new flavour experiences across both its Consumer and Flavour Solutions business units.

MAGGI

Nestlé is a world-leader in a large number of different technologies, and it has developed technologies that allow the company to use natural vegetable oils instead of partially hydrogenated fats in their Maggi bouillon cubes and seasonings

3.2.5 INDUSTRY FINANCIAL ANALYSIS

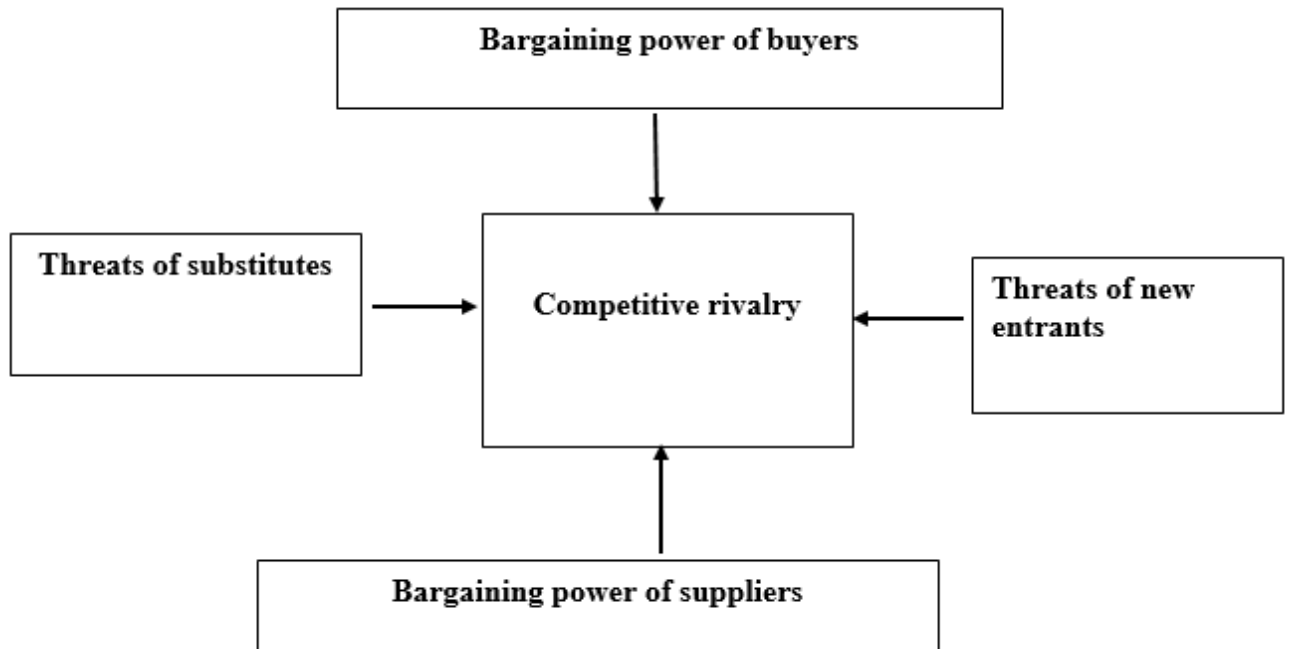
Table 3.2.5 Ajinomoto and Competitors Ratio Analysis

RATIO	AJINOMOTO	NESTLE	MCCORMICK
PROFITABILITY			
PROFIT MARGIN	20.97%	8.57%	5.6%
ROE	14.16%	18.68%	4.1%
LIQUIDITY			
CURRENT RATIO	3.61x	0.87x	1.63x
QUICK RATIO	3.08x	0.61x	0.86x
LEVERAGE			
DEBT RATIO	47%	57.37%	56%
DEBT TO EQUITY	28.97%	35.63%	56%
EFFIICIENCY			
ASSET TURNOVER	194 Days	262 Days	283 Days
RECEIVABLES TURNOVER	5 Days	45 Days	28 Days

3.3 PROBLEM IN THE INDUSTRY

The purpose of Porter's Five Forces is to assess and evaluate the competitive positioning and strengths of business organizations. These five forces shape the competition within any industry. The overall industry competitiveness declines when these forces reduce profitability. Porter found SWOT analysis lacking in rigour. Many new companies use the Porter Five (5) Forces Model to decide whether it is profitable to enter in a particular industry. The Porter Five Forces Models are

Figure 3.3 Porter Five Forces Models



On the side of our company which is Ajinomoto, the application of Porter Five Forces can help Ajinomoto to determine the industry attractiveness and understand its competitive positioning in the market. The analysis can also be used to make some strategically wise decisions that could improve the performance of Ajinomoto and ensure long-term survival.

3.3.1 THREAT OF NEW ENTRANTS

Ajinomoto are facing high new entrants in F&B industry. This is mainly due to consumers can easily switch the brands due to weak/no brand loyalty, existing regulations by the government support the entry of new players.

However, Ajinomoto have taken a few actions to tackle the threat of new entrants which are Ajinomoto have developed brand loyalty by working on customer relationship management. It has raised the psychological switching costs. Next, Ajinomoto also increase their investment in research and development activities, get valuable customer data and introduce innovative products/services to set strong differentiation basis.

3.3.2 THREAT OF SUBSTITUTES PRODUCT

The availability of substitute products or services makes the competitive environment challenging for Ajinomoto Co Inc and other existing players. High substitute threat shows that customers can use alternative products/services from other industries to meet their needs. The intensity of this threat for Ajinomoto are increasing when the substitute product is cheaper than Ajinomoto product and substitute product offers the same or even superior quality and performance as offered by Ajinomoto product.

Ajinomoto have taken a few actions to tackle this threat by clearly emphasising how its offered product/service is better than the available substitutes through their websites, advertisement, social media and CR program and they also raise the switching costs by working on loyalty.

3.3.3 RIVALRY AMONG EXISTING FIRM

Ajinomoto have 2 main competitors which are Maggi and McCormick. This competition among the existing firm can limit each other's growth potential and cause the profitability in the F&B industry is low as firm adopt aggressive targeting and pricing strategies against each other.

In order to mitigate this issue Ajinomoto focus on the implicit needs and expectations of its customers to strengthen the differentiation basis. The have raise switching costs by developing long-term customer relationships. The organisation also invests in research and development

activities to identify new customer segments. In some cases, collaborating with competitors can be mutually beneficial.

3.3.4 BARGAINING POWER OF SUPPLIER

Moreover, high supplier bargaining power can increase the competition in the industry and lower the profit and growth potential for Ajinomoto. Similarly, weak supplier power can make the industry more attractive due to high profitability and growth potential.

Due to this, Ajinomoto strengthen its position against suppliers by decreasing the dependency on one or a few suppliers. This will increase its price sensitivity. Developing the long-term contractual relationships with suppliers from different regions not only lowers their bargaining power but also allows Ajinomoto to improve its supply chain efficiency. Finally, Ajinomoto try to find the alternate ways of producing the product because the demand on the product is high enough and the firm has required competencies and expertise. However, it requires detailed cost-benefit analysis to determine its feasibility. Product redesign and diversification of the product lines can also help the organisation reduce the suppliers' power in the market.

3.3.5 BARGAINING POWER OF BUYERS

Bargaining power of buyers indicates the pressure that customers exert on the business organisations to get high quality products at affordable prices with excellent customer service. This force directly influences the Ajinomoto Co Inc's ability to accomplish the business objectives. Strong bargaining power lowers profitability and makes the industry more competitive.

Ajinomoto Co Inc manage the bargaining power of buyers forces by increasing and diversifying their customer base. It can be done by introducing new products, targeting new market segments and adopting the product diversification strategies. Marketing and promotional strategies can also be helpful in this regard. Building loyalty by embedding innovation and offering excellent customer experience can raise the switching costs, which will ultimately reduce their bargaining power. Ajinomoto Co Inc try to adopt these strategies to strengthen its competitive positioning in the market.

3.4 COMPETITORS ANALYSIS

The competitors that we chose are Maggi and McCormick. This is because both competitors are under the same industry as Ajinomoto which is Food and Beverages (F&B). Furthermore, this three company also produce most alike product under F&B industry which is seasoning products. Lastly, based on our observation, we can see that Maggi and McCormick is the top three competitors for Ajinomoto in the F&B industry.

Table 3.4 Competitors analysis

	AJINOMOTO	MAGGI	MCCORMICK
MARKETING ACTIVITIES	Through a lot of activities involving the society such as culinary classes, UMAMI Club monthly contest and mobile truck roadshow. Their marketing activities focusing on physical advertisement because they believe that the cooking interest can be towards any stage of ages.	Through the social media by collaborating with the well-known local celebrities such as Zulin Aziz, Eina Azman and Sheila Rusly to do demonstration on how MAGGI Cukup Rasa can be used as part of everyday recipes to create various types of meals. Other than that, roadshow events called as “Pesta Hebat Rasa MAGGI Cukup Rasa” also been held to spread brand awareness	Focusing more on digital marketing including e-commerce. Somehow the advertisement of McCormick is only been done in overseas, but their focus is for Asian people. This is because most people know the McCormick products due to their high-quality products.

<p>CUSTOMER SERVICES</p>	<p>Provide hotline and hunting line if there any question or information that customer would like to ask. Ajinomoto also provide website to their customer, so if there are any questions or complain it can be upload there</p>	<p>Provide list of frequently asked questions. Provide a basic information about their product in their website. They also provide hotline if there are any inquiry from the customer. If the customer would like compliance their concern, it can be done in the Maggi website</p>	<p>McCormick also provide list of frequently asked question which ease the customer answer all their curiosity on the spot. Same as Maggi, McCormick also provide hotline centre that operate from 9 am to 7 pm.</p>
<p>FINANCIAL PROFIT</p>	<p>In the financial year ended 31 March 2019, Ajinomoto achieved higher revenue by 2.6% from RM436.3 million in 2018 to RM447.7 million in 2019. The increase in the company's revenue was contributed by increase in sales volume and better</p>	<p>Nestlé (Malaysia) Bhd's net profit for the first quarter ended March 31, 2019 rose 1.7% to RM235.22 million from RM231.22 million in 2018. This could be due to lower operating expenses and also the innovations of new product which</p>	<p>From the DataStream database, McCormick net income increases sharply from USD477,400,000 in 2017 to USD 933,400,000 in 2018</p>

	selling price of Ajinomoto products	is “Maggi Pedas Giler 2X Ayam Bakar”	
PRODUCT QUALITY	<p>Ajinomoto are committed to producing quality food products, the first link in irreproachable food hygiene and safety. Their amino acids stringently fulfil the criteria of European standards regarding food safety. The Ajinomoto Group's Quality Standards are designed to ensure that products meet the level of quality expected of the Ajinomoto Group's brand, and are strict standards covering a wide range of areas including training, labelling, packaging, and traceability and so on.</p>	<p>Nestle has in place strict food safety and quality controls at all our manufacturing facilities, including thorough quality checks at each stage of our raw material sourcing and manufacturing process. This includes comprehensive testing to ensure that Nestle Malaysia products fully comply with all applicable food safety laws and regulations, as well as our own high standards of quality and safety before they reach our consumers. All Nestle Malaysia's product ingredients used comply with local food laws and regulations.</p>	<p>McCormick do the test and evaluate the quality and safety of our products through development and delivery. They expertly blended Recipe Mixes, Seasonings and Stock are made with the same fresh flavour herbs and spices as our bottled spices, and they do not add MSG* or artificial flavours, like other brands.</p>

<p>PRICE COMPETITIVENESS</p>	<p>In order to compete with other competitors, Ajinomoto have set their price below the price of the competitors. This can be proven as every 100g, Ajinomoto set their price at RM 2.66 while Maggi RM 2.99 and for 80g of McCormick the price is RM 5.50. Ajinomoto believes that many customers will tend to purchase the products with lower price but with the same quality as the expensive one. This put them in front of the other competitors as they offered high quality product with lower price</p>	<p>From the comparison of price between the Ajinomoto and McCormick, Maggi is discovered to place their price between Ajinomoto and McCormick. The price is not too expensive as McCormick and not too cheap as Ajinomoto. This put Maggi as one of the best choices to be purchased as they offered quality at quite good price.</p>	<p>As for McCormick, they choose to be the price leader as they set their price above the market price and more expensive than Ajinomoto and Maggi. Even though, the price I quite expensive than the other two, but McCormick also offer high quality products to their customers as extra features top compete with other competitors.</p>

<p>DISTRIBUTION CHANNEL</p>	<p>Ajinomoto analyse the needs based geographically the only focusing on what product to distribute as there are differences between the needs of diverse customer in diverse countries. Ajinomoto believes that Asian is more attracted towards the seasoning foods</p>	<p>Maggi use combinations of two strategies. Pull strategy which offers customers to pull products from the channel by advertising their products to customer and by offering discount or promotional offers or coupons or rebates. Push strategy offers incentives to the sales force, advertising partners, price discounts and offer allowances for marketing activities. Online distribution is the best distribution as the benefits are endless and growing. The companies must place the product by understanding the customers' and develop a strategy for</p>	<p>McCormick analysing most of the Gen Z is hyper on trying flavoured food. Somehow, the analysis on the income that influenced the purchasing power made by McCormick is only focusing in United States. However, the believes that Asian really loves spices. McCormick products are manufactured in Singapore.</p>
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		the most effective distribution channels and allocate resources across channel options.	
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3.4.1 COMPETITIVE PROFILE MATRIX (CPM)

Table 3.4.1 CPM Matrix

	Weight	Rating	Score	Rating	Score	Rating	Score
Advertising	0.01	1	0.01	4	0.04	1	0.01
Market Penetration	0.04	1	0.04	3	0.12	3	0.12
Customer Service	0.05	2	0.10	2	0.10	2	0.10
Store Locations	0.09	4	0.36	2	0.18	1	0.09
R&D	0.10	4	0.40	3	0.30	4	0.40
Employee Dedication	0.03	3	0.09	2	0.06	2	0.06
Financial Profit	0.12	4	0.48	4	0.48	2	0.24
Customer Loyalty	0.15	4	0.60	4	0.60	2	0.30
Market Share	0.15	4	0.60	4	0.60	1	0.15
Product Quality	0.10	4	0.40	3	0.30	3	0.30
Top Management	0.09	3	0.27	4	0.36	2	0.18
Price Competitiveness	0.07	3	0.21	2	0.14	3	0.21
Totals	1.00		3.56		3.28		2.16

From overall analysis and CPM matrix, the result shows that weighted score for Ajinomoto Malaysia is the highest with 3.56 followed by Maggi Malaysia 3.28 and McCormick Malaysia with 2.16. The weighted score for Ajinomoto which is near to 4 (the maximum weighted score) prove that Ajinomoto can compete well with the other two competitors, Maggi and McCormick. Ajinomoto which have been established in Malaysia for a long time prove to be the best at offering extra features to their customers to ensure everlasting customer loyalty towards their products. As for these, Ajinomoto have.

Other than that, Ajinomoto always do their best in doing their research and development (R&D) to ensure they fulfil the customer`s needs and wants and to ensure they variety the products to enable them to keep on survive in the market. The results from the R&D have showed the results as Ajinomoto not only able to come out with MSG but also the other seasoning such as Saji, black paper, and many more. However, Ajinomoto still need to improve some factor such as advertising. If once upon a time, Ajinomoto is a well-known brand with attractive advertising in the television but not now. Nowadays, it is hardly found any advertising from Ajinomoto. Maybe it is because they have been in the industry for a long time that they have lessen their advertising in the television. But still, we encouraged Ajinomoto to do more

advertising as their products can be expand more and easily gain more attraction from other customers.

MCCORMICK

As for McCormick, it has the least average weighted score in the industry which is 2.16. The average weighted score for McCormick is below than 2.5 and it could be considered as weak position.

Customer loyalty and market share is the most important external factors as it was weighted up to 0.15 both which is the highest compared to the other factors. Market share of McCormick was being poor as it was rated as 1. Meanwhile, McCormick is unable to fully maintain their customer loyalty as it was rated 2 which means average ability to maintain. Both factors are very crucial in order to maintain or improve the company performance. Other than that, financial profit is also fundamental for the company to maintain their performance, but McCormick can only be average in managing their financial profit compared to the other two brands.

However, McCormick is excellence in managing their research and developments activities. The production of McCormick which the products will be distributed to Malaysia is located in Singapore and it gives an advantage for McCormick to run their innovative activities and improve their products and services. This is because the technologies used in Singapore are relatively advanced compared to Malaysia.

3.5 SUMMARY AND CONCLUSION

Table 3.5 EFE Matrix

Opportunities	Weight	Rating	Weighted Score
Acquisition of smaller brand	0.02	1	0.02
Emerging market and expansion abroad	0.04	2	0.08
Innovation in existing product	0.03	2	0.06
The growth in Malaysia market is supported by Urbanisation	0.02	1	0.02
Market leader with a trusted brand name	0.08	4	0.32
Increasing demand for processed food and growing F&B food service	0.07	4	0.28
Higher MSG consumption in Asia	0.10	4	0.4
Developing industrial segment in Malaysia leads to high sales to processed food producers	0.05	3	0.15
The sales grew at a compound annual growth rate in the past years together with the growth rate of F&B establishment	0.04	2	0.08
High advantages in Exporting activities due to preference of middle east and Asian people in seasoning product	0.06	3	0.18
Threats	Weight	Rating	Weighted Score
Competition from another producer	0.10	4	0.40
Consumer opting for lower price product in the face of inflation	0.01	1	0.01
Product substitution in seasonings is high	0.02	1	0.02
Unpredictable economy	0.08	4	0.32
Price War	0.07	3	0.21
Eagerness in Healthy Lifestyle	0.03	2	0.06
Rising operating cost	0.05	3	0.15
Changing of customer taste and preference	0.01	1	0.01
Aggressive marketing by for-profit competitor	0.07	4	0.28
Negative perception toward seasoning food	0.05	3	0.15
Total EFE Score	1.00		3.20

External opportunities provide an organization with a means to improve its performance and competitive advantage in a market environment. On other words, opportunities are the chances exist in the external environment. However, it depends on firm whether they are willing to exploit the opportunities or maybe ignore the opportunities due to lack of resources.

Regrading to Ajinomoto's external forces matrix, the highest weight is at 0.08 because it is an advantage for them to be a market leader with a trusted brand. Basically, a market leader is identified by the consumers in a particular marketplace as having the best products. Therefore, Ajinomoto not only retain its existing customers by building brand loyalty, but also will attract new customers who

may be unfamiliar with the Ajinomoto's product. Besides, due to the preferences of middle East and Asian people in the seasoning products the exporting activities of the Ajinomoto increase tremendously and leads to be one of the highest scores in opportunities external forces which at 0.06. It relates with the amount of people consume the Ajinomoto with the weight of 0.10.

However, there are also some of the factors that gives less opportunities. Ajinomoto is poor in innovates their existing product since the weight is only at 0.03. Ajinomoto should concern with the innovation that they need to make because lack of innovation can cause a business failure. This due to boredom of consumer in consuming the same products. In addition, Ajinomoto's growth in Malaysia can be develop if they are supported by the abroad company. As for now, Ajinomoto only been supported by the Urbanisation. So, it only weighted at 0.02. It is good when at least they also get the international support. But the more, the better. Therefore, Ajinomoto need to make more effort in order to make it grow more globally.

Based on the overall factors, in order to maintain as a good company and maintain to be the chosen company. Ajinomoto should improve their company internally. In the competitive marketplace and industrial revolution, we are living now, no company can survive without upgrade new ideas and technology. The ideas can come from inside of business such as from employees, developers, managers or from the outside world like suppliers and customers. Therefore, successful innovation can bring about productivity, cost reduction, higher competitiveness, brand value, turnover increase.

Threats are anything or any element that can cause damage to the organization, venture, or product. Threats are generally negative and coming from external factors. This means that threats do not give benefit to the company, but there is no way to stop the threats from coming to the organization. The EFE Matrix comprising the list of threats that Ajinomoto might be facing.

Based on the EFE Matrix, the biggest threat for Ajinomoto is coming from the competitors in the same industry. It becomes the biggest challenge for Ajinomoto as it is the highest weighted factor with 0.10 compared to the other factors. Then, it followed by other important threats including the unpredictable economic condition, price war and aggressive marketing strategy coming from Ajinomoto's competitors as it was weighted with 0.08 and 0.07 respectively. Unpredictable economic cannot be

controlled by any party including Ajinomoto itself and it became fundamental for Ajinomoto to be alert towards the economic condition as it will affect the sales revenue and the overall performance as well.

Apart from that, there are few external factors that give the least threat for Ajinomoto including the consumers might choose other lower price product in the face of inflation and the changing of customer taste and preference as it was weighted with 0.01. However, Ajinomoto believes that they have the loyalty from their existing customers which will choose their product brand instead of other brands unless they change their quality level in their products. Besides that, Ajinomoto is also should be worrying about the other threats that come from external factors such as higher product substitution in seasonings products and eagerness towards healthier lifestyle. MSG is one of the most controversial products that being argued between people as there are bad rumours that MSG ingredient will give bad impacts towards the healthiness for short term and long-term period.

In overall, the current competitors for Ajinomoto are Maggi CukupRasa and McCormick seasoning. The price range of Ajinomoto's products is the lowest compared to its competitors and this gives benefits to them as people will choose them because of the lower prices. However, Ajinomoto needs to improve their marketing strategies in order to compete and be the leader in this industry. In order to sustain in the industry, it is fundamental for Ajinomoto to increase their customer loyalty by providing products line other than MSG products.

4.0 INTERNAL COMPANY ANALYSIS

4.1 REVENUE IN THE PAST THREE YEARS

In the past three years, the sales revenues of Ajinomoto keep growing and increasing throughout the year. It was driven by the active marketing activities that have been done by Ajinomoto especially the consumer facing promotions. The net sales revenue in year 2018 is RM436,286,000 which is the highest revenue in the past three years. Meanwhile, the sales revenue in 2017 and 2016 is RM419,917,000 and RM400,201,000 respectively. It shows that Ajinomoto is in a good condition and well managed as shown in increment of sales revenue year by year. Other than that, it indicates that Ajinomoto is efficiently managing its activities to generate higher sales.

4.2 COMPANY GROWTH COMPARES TO OTHER MARKET PLAYER IN THE INDUSTRY

For the nine months of financial year 2019, Ajinomoto registered a net profit of RM4.8 million which grew 7.7% year-on-year, while revenue improved 2.2% to RM382.2 million. The encouraging results were due to steady revenue and earnings in the consumer segment. Over the past five decades, Ajinomoto's umami seasoning has become a household brand among Malaysian consumers. The group's brand has grown into a market leader with dominant market share of over 80%. Under its consumer business, Ajinomoto MSG is the largest revenue contributor to this segment following its matured position in the Malaysian market.

Despite dominating the MSG market, Ajinomoto faces stiff competition in other food and seasoning products from local brands and overseas producers in the industry. Even though the competition among the seasoning products are stiff, but, according to The Star Online, in April 2016, Ajinomoto have already outperformed the other stocks in Malaysia over the past ten years and they are optimistic to double the figure for the sales and tripling their operating profit from the present figure by financial year 2020.

4.3 DAVID FUNCTIONAL AUDIT CHECKLIST

4.3.1 MANAGEMENT

Management is an essential department to have in an organization. Without management, an organization cannot be run and may be failed. A good management is the backbone of successful organizations. Managing life means getting things done to achieve life's objectives and managing an organization means getting things done with and through other people to achieve its objectives. Management is a process of planning, decision making, organizing, leading, motivation and controlling the human resources, financial, physical, and information resources of an organization to reach its goals in an efficient and effective manner.

As for Ajinomoto, their company become more established and successful as they have successfully managed their employee, products and their business. In order to manage excessive tasks, the Chairman of Ajinomoto have provided leadership for the Board so that the Board can discharge its duties and responsibilities effectively. The Chairman also encouraged active participation and allowed dissenting views to be freely expressed, ensured appropriate steps are taken to provide effective communication with stakeholders and led the Board in establishing and monitoring good corporate governance practices in the company.

In order to meet the goals and objectives of the company, the top-level management which are Board of Ajinomoto have made an effective plan where they promoted good corporate governance culture within the company which reinforces ethical, prudent and professional conduct. These corporate governances are divided into three principle which are Board leadership effectiveness, effective audit risk management and integrity in corporate reporting and meaningful relationship with stakeholders. The corporate governance is implemented in the company in order to ensure that there is a proper guide towards achieving the company's goals and the default that occurred within the organizations can be manage effectively.

4.3.2 MARKETING

Marketing consists of customer analysis, selling product and services, product and services, pricing, distribution and marketing research

4.3.2.1 CUSTOMER ANALYSIS

Ajinomoto has conduct various way in order to meet the consumer needs, desires, and wants. This may involve administering customer surveys, analysing consumer information, evaluating market positioning strategies, developing customer profiles, and determining optimal market segmentation strategies.

Due to this customer analysis, Ajinomoto manage to enhance their R&D and able to develop distinctive products and solutions that meet and exceed consumer expectations. Their work extends from initial research to the commercialization of products ranging from seasonings for consumer use to industrial solutions and amino acid-based health maintenance products. In order to ensure that all Ajinomoto Group products deliver the highest customer satisfaction, they have established the Kitchen Value Chain product evaluation system.

4.3.2.2 SELLING PRODUCT AND SERVICES

Ajinomoto constantly improve their products and services throughout the years. We can see how well their product features has develop from the first establishment of Ajinomoto (Malaya) Co., Ltd in 1961 with only a single product, namely, AJI-NO-MOTO® Umami seasoning. Today, the retail product range has expanded to include pepper, chicken stock and sweetener. The Company will continue to conduct market research on the needs of the community in the area of food seasoning in order to further expand its product range.

They also focus on improving their packaging. That means creating sustainable packaging solutions that preserve the freshness, quality and taste of our food products while being easy to open and store yet reduce the environmental burden.

For restaurants, convenience stores, processed food manufacturers, and other commercial customers, they deploy their industry expertise in materials and production processes to deliver seasonings and enzyme preparations that enhance food quality. They also collaborate with commercial customers to develop solutions based on site conditions, and complete order-made products.

4.3.2.3 PRICING

One of the secrets to business success is pricing your products properly. Price the products correctly and that can enhance the sell, creating the foundation for a business that will prosper. Get the pricing strategy wrong and it can create problems that the business may never be able to overcome.

For Ajinomoto, among those 2 competitors, they able to have price advantages where they implement low cost strategy. Ajinomoto offers the same product as their competitors, but they manage to give their customers with lowest price that available on the market. For example, At Tesco, Ajinomoto MSG seasoning (100g) only cost RM2.65 compared to McCormick (96g) costs RM13.95 while Maggi cost RM2.99.

4.3.2.4 DISTRIBUTION

The Company has 10 branches in Malaysia and 1 Sales office in Saudi Arabia to distribute its product to its customers. The 10 branches in Malaysia include Alor Setar, Penang, Ipoh, Kuala Lumpur, Melaka, Batu Pahat, Johor Bahru, Kuantan, Sarawak and Sabah.

This branches then will distribute the Ajinomoto products to multiple of convenience store or hypermarkets like 7E, Tesco or Jusco and not also left out to all the groceries store that located at the rural areas like “Kedai Runcit Pak Mat”.

4.3.2.5 MARKETING RESEARCH

Leveraging the strengths of global product development, production, and sales networks as well as marketing capabilities and brand power, the Ajinomoto Group offers products and services that contribute to delicious tastes tailored to the eating habits of local consumers, as well as nutritional improvement.

By utilizing local raw materials to create added value, expanding employment opportunities and applying Japanese technologies, the Group will contribute to the evolution of the local food industry. Through these efforts, the Group will continue to realize a harmonious coexistence with local communities and consumers.

For example, for Ajinomoto Malaysia itself, they have implemented various of research in order to create exact product that tailored with the local consumers taste and preference. Thus, a few products have born as the result of those marketing research like Pal sweet, Ajinomoto Plus etc.

4.3.3 FINANCE

Accounting and finance serve two different functions in a business. Accounting is the recording of financial transactions for informational and reporting purposes. Finance is the use of accounting information to make investment and monetary decisions required to operate and grow a business. There are three main functions of accounting and financing which are investment decision, financing decision and dividend decision. Investment decision also known as capital budgeting. It is a determination made by directors or management as to how, when, where and how much capital will be spent on investment opportunities. The decision often follows research to determine costs and returns for each option. For financing decision, it includes examining various methods for the firm to raise capital such as issuing stock, selling assets and others. Dividend decision can determine the amount of funds received in the firm compared to the amount paid out to stockholders.

4.3.3.1 LIQUIDITY RATIO

A liquidity ratio is a financial ratio that indicates whether a company's current assets will be sufficient to meet the company's obligations when they become due. There are several ratios in the liquidity ratio which are current ratio, quick ratio, average collection period ratio and days to sell inventory ratio. However, we only choose Ajinomoto's current ratio and quick ratio in year 2017 and 2018 to measure whether the company are able to meet its short-term obligation. The ratios are as follows:

Table 4.3.3.1 Liquidity Ratio of Ajinomoto

TYPE OF RATIO	2017	2018
Current Ratio	11.73	13.34
Quick Ratio	10.08	11.81

As for Ajinomoto's current ratio, it shows a good performance because it increases from 11.73 times in 2017 to 13.34 times in 2018. Therefore, we can see that Ajinomoto are able to meet its short-term obligation. In term of quick ratio, it is used as an indicator whether the company has sufficient short-term assets to cover its short-term liabilities. It shows that Ajinomoto have enough and sufficient liquid asset to pay their current liabilities as the ratio increases from 10.08 times in 2017 to 11.81 times in 2018.

4.3.3.2 ACTIVITY RATIO

Activity ratios measure the relative efficiency of a firm based on the use of its assets, leverage, or other similar balance sheet items. It is important in determining whether a company's management is doing a good enough job of generating revenues and cash from its resources. These ratios are most useful when compared to a competitor or industry to establish whether an entity's processes are favourable or unfavourable. Ajinomoto's activity ratio are as follows:

Table 4.3.3.2 Activity Ratio of Ajinomoto

TYPE OF RATIO	2017	2018
Inventory Turnover	6.8	9.5
Fixed Assets Turnover	1.63	1.69

Inventory turnover ratio is an important financial ratio to evaluate the efficiency and effectiveness of inventory management of the firm. This ratio indicates how many times inventory is sold and replaced in a financial year. Ajinomoto shows a good performance in their inventory turnover as it kept increasing from 6.8 times in 2017 to 9.5 times in 2018. This shows that Ajinomoto does not overspend by buying too much inventory and wastes resources by storing non-saleable inventory. It also shows that the company can effectively sell the inventory they bought.

As for fixed asset turnover, it measures how well a company is using its fixed assets to generate revenues. Ajinomoto were able to increase their fixed asset turnover from 1.63 times in 2017 to 1.69 times in 2018. Generally, the higher the fixed asset turnover ratio, the more effective the company's investments in fixed assets have become. Furthermore, a high ratio indicates that a company spent less money in fixed assets for each dollar of sales revenue.

4.3.3.3 LEVERAGE RATIO

Leverage ratio is used to measure Ajinomoto's ability to generate future revenues and meet its long-term obligations which also known as solvency ratio. This ratio will indicate the company's debt levels with its assets, equity, and earnings in order to evaluate whether a company can stay survive in the long-term by paying its long-term debt and interest on the debt. The examples of leverage ratios include debt ratio, debt to equity ratio, long term debt to equity and also time interest earned as shown below.

Table 4.3.3.3 Leverage Ratio of Ajinomoto

TYPE OF RATIO	2017	2018
Total Debt-to-Equity Ratio	10%	9%
Total Debt to Total Assets Ratio	7%	6%

Total debt to equity ratio is to calculate on how much debt did the Ajinomoto used to support its business compared to how much stockholder's equity used to support its business. The lower the ratio of a company, the stable the financial business. As we can see from the table, it shows a good performance as the ratio decreases from 10% in 2017 to 9% in 2018.

As for total debt to total assets ratio, it indicates the amount of debt in the financial structure, and thus higher percentage associated with higher risk. Ajinomoto shows a good performance as it decreases from 7% in 2017 to 6% in 2018. Therefore, it shows that the company can manage its debt efficiently and have lower risk.

4.3.3.4 PROFITABILITY RATIO

Profitability ratio analysis is a good way to measure company's performance as it shows the company's ability to generate profits from its operations. Profitability ratio comprises of return on asset (ROA), return on equity (ROE), net profit margin, operating profit margin and gross profit margin. However, we chose Ajinomoto's gross profit margin and operating profit margin to measure the company's performance. The ratios are as below:

Table 4.3.3.4 Profitability Ratio of Ajinomoto

TYPE OF RATIO	2017	2018
Gross profit margin	44%	42%
Operating profit margin	- 42%	- 45%

Gross profit margin is a metric used to assess a company's financial health and business model by revealing the amount of money left over from sales after deducting the cost of goods sold. Ajinomoto's gross profit margin shows that the company unable to sell their inventory at a higher profit percentage as the ratio decreases from 44% in 2017 to 42% in 2018. As for operating profit margin, it indicates how much profit a company makes after paying the variable costs of production such as wages, raw materials and others. Ajinomoto's operating profit margin also shows a bad performance as it decreases from - 42% in 2017 to - 45% in 2018. This indicates that the company were unable to generate more profits. Overall, we can conclude that Ajinomoto's performance is good during 2018 as most of the financial ratio shows a good performance compared to 2017. However, the company should make some improvement in their profitability ratio in order to boost their performance.

4.3.4 OPERATION

The Ajinomoto Group produces the amino acids used in its products through fermentation processes from crops that are easily available in each region. Nearly 100% of the nutritionally rich by-products that remain after extracting amino acids in the fermentation process are then used as fertilizer and feed. The Group considers such recycling-based amino acid fermentation processes that procure sustainable agricultural production while enriching regional agriculture as bio-cycles. These bio-cycles are a means of simultaneously contributing to reliable supplies of food resources and realizing sustainable agriculture. For this reason, the Group is introducing these cycles at its fermentation factories worldwide.

Plants synthesize amino acids from absorbed nitrogen and sugars gained through photosynthesis, then use amino acids to synthesize proteins necessary for growth. Even under insufficient photosynthesis conditions caused by cloudy weathers or low temperatures, plant growth can be stimulated by supplying amino acids as fertilizer. For more than 40 years the Ajinomoto Group has been effectively utilizing the nutrient-rich co-products of amino acid fermentation as organic-type fertilizer. By fortifying these co-products with suitable amounts of phosphoric acid and potassium, for example, the Group has developed fertilizers with higher added value. Continued experiments and researches have been revealing these amino acid enriched fertilizers to have an enhancing effect on root development, plant growth, and harvest yields.

4.3.5 RESEARCH AND DEVELOPMENT

Research and development (R&D) refer to the companies' activities to innovate and introduce new products and services. It is often the first stage in the development process. The goal is typically to take new products and services to market and add to the company's bottom line. R&D plays a very important role in the success of a business as it contributes to the sustainability of business. Ajinomoto also conducted research and development to stay on top of its competition and the R&D activities are as follow

4.3.5.1 AMINO SCIENCE

The Ajinomoto Group commands a dominant share of the global amino acids market in food, feed, pharmaceutical, and other segments. Their advanced production technology and capacity to ensure stable supply of amino acid-based products is the core of their competitive strength. Basically, the Ajinomoto Group has produces nearly 20 amino acids at 27 locations around the world. Their global production system comprises a network of strategically-located plants, reliable supplies of optimum materials and microbes, and state-of-the-art processes.

Ajinomoto has done some research on the basic technologies in order to produce a good quality amino acid and other related products. Therefore, the Group had employs advanced molecular and systems biology, and performs comprehensive analysis of the biological interactions, metabolic pathways, and other characteristics in order to optimize the total fermentation production system. Ajinomoto also conduct some research on the foundational technologies and identify new microbes and enzymes that can be used in their processes.

4.3.5.2 FOOD SCIENCE

The leadership of the Ajinomoto Group is backed by more than a century of R&D experience creating advanced processes and technologies that deliver new value to food around the world. Food is experienced through the five senses which are sight, sound, smell, touch, and taste. The Ajinomoto Group's world-leading seasoning technologies are based on two of their core strengths which are their ability to precisely identify all of the taste, texture and flavour factors that comprise food satisfaction. The other strength is their ability to apply this expertise to meet the needs and preferences of consumers through innovative materials and blending technologies. Therefore, Ajinomoto use advanced technology to investigate the mechanisms involved in taste of the product. They also want to discover new materials and to apply these findings to expand their portfolio of enhancers of umami, sweetness and other tastes

4.3.5.3 RESOURCES-SAVING FERMENTATION TECHNOLOGEIS

As a global manufacturer, the Ajinomoto Group has a social responsibility to reduce the environmental footprint of its operations. Accordingly, they have made some research on it to significantly reduce the consumption of raw materials by maximizing fermentation productivity of microbes. The company also need to raise the overall efficiency of fermentation processes to reduce the amount of energy and auxiliary materials consumed, and water discharged during production.

4.3.6 MANAGEMENT INFORMATION SYSTEM

Management information system will provide information needed by managers to get a feel for how their business is performing including technology, people and business processes to record, store and process data to make day to day decision. A collection of systems, hardware, procedures and people that all work together to process, store and produce information that useful for the organization. It is importance for the Ajinomoto to have the system since it helps in strategic planning, management control, operational control and transaction processing. Besides, the queries on the data pertaining to the transaction, the status of a record and reference on a variety of documents can be answered.

Management information system is very useful to compare business organization performance since it helps in comparison of business performance because MIS will store all past data and information in its database. For Ajinomoto, they use this system which called as management of personal information. In order to securely manage personal information including customer data, the Ajinomoto's rules and procedures has been defined clearly. This to ensure that, as part of organizational business management the group companies concerned and follow them.

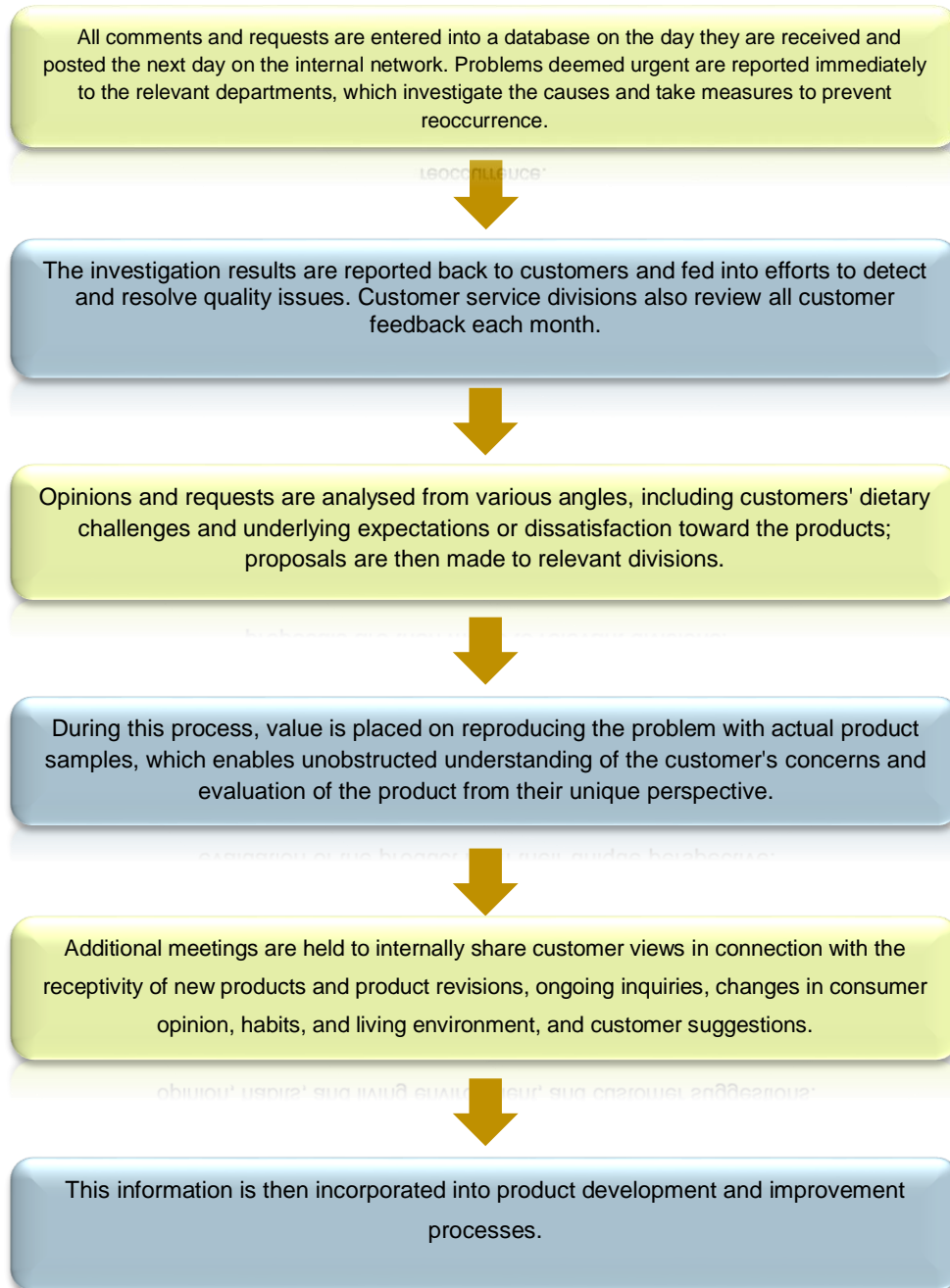
At Ajinomoto Co., Inc., the Personal Information Management Guidelines in the Information Management Regulations use guidelines that are based on the ISO 27001 standard for information security management systems. The specify rules and procedures for securely handling personal information. Besides, information handling rules are covered in grade- and job specific security training, such as programs for new hires, mangers, and sales staff. Furthermore, the contractor's business and system conditions are assessed to ensure the same high level of information security when operations are outsourced. Personal information is centrally managed in a company-wide database in order to ensure security.

Ajinomoto Co., Inc. introduce strict measure to manage the personal information. For example, if they conduct a customer survey or campaign, the information that they get from the survey will be manage by the Personal Information Manager and Ajinomoto will clarify the person responsible who in charge of the collection, storage, deletion and who might use or excess the collected data. For the sake of the company, they identify the company's problem for

improvement of its products and services through the customer feedbacks. Then, they share it internally.

The customer feedback in the management of personal information are flows as shown below:

Figure 4.3.6 Flows of the Customer Feedbacks



Reveals with more data about the needs of customers, management is better able to improve their customer service and design more effective marketing and promotional campaigns. Thus, it will strengthen the company's competitive advantage because it is running a more efficient business by reducing and eliminating weaknesses and non-performing areas which can

increases a company advantage over its rivals. However, there are some issues regarding of the data. One of them is data security where hackers, identity thieves and corporate saboteurs targeting sensitive company data including vendor information, bank records, intellectual property and personal data on company management. They use the information to distribute over the Internet or sell it to rival companies or use it to damage the company's image.

4.4 AJINOMOTO'S STRENGTH AND WEAKNESS

Table 4.4.1 IFE Matrix for Strengths

	STRENGTHS	WEIGHT	RATING	WEIGHTED SCORE
1	Highly known brand name	0.10	4	0.40
2	Malaysia's strong financial stability	0.03	3	0.09
3	Ajinomoto factory are located at strategic location	0.04	3	0.12
4	Product diversification compare to their competitors in Malaysia	0.03	3	0.09
5	Comprehensive production technology	0.10	4	0.40
6	Low threat of new entrance due to high entrée barriers and involve high capital	0.02	3	0.06
7	Ajinomoto have Halal certificate	0.03	4	0.12
8	Loyal customer base	0.05	4	0.20
9	High responsiveness to customer	0.04	3	0.12
10	High cost advantage	0.06	4	0.24

Table 4.4.2 IFE Matrix for Weaknesses

	WEAKNESSES	WEIGHT	RATING	WEIGHTED SCORE
1	Ajinomoto are known as seasoning product with higher MSG	0.10	1	0.10
2	Focus to high seasoning business	0.01	2	0.02
3	Illiquid trading volume	0.02	2	0.04
4	Low dividend yield	0.04	2	0.08
5	High portion of revenue from MSG product	0.04	2	0.08
6	Lack of promotional and advertising activities	0.06	1	0.06
7	Ajinomoto did not exploit much on digital marketing	0.06	1	0.06
8	Ajinomoto does not have online retailing	0.05	1	0.05
9	Unattractive packaging	0.02	2	0.04
10	Product line are not introduced in Malaysia as much as other country	0.10	1	0.10
	Total IFE Score	1.00		2.47

The total IFE score for Ajinomoto is 2.47 it is barely below average and far to have strong internal position. This indicates that company's strategies are neither effective nor ineffective in exploiting opportunities or defending against threats. The company should improve its strategy and focus more on how take advantage of the opportunities.

5.0 STRATEGY FORMULATION

5.1 SWOT ANALYSIS

SWOT Matrix is a strategic planning technique used to help an organization identify strengths, weaknesses, opportunities, and threats related to business competition or project planning. It is intended to specify the objectives of the business venture or project and identify the internal and external factors that are favourable and unfavourable to achieving those objectives. There are four term in the SWOT Matrix which is SO, ST, WO and WT.

The Strength and Opportunity (SO) is use by Ajinomoto's internal strengths to take advantage of external opportunity. The Strength and Threat (ST) is use by Ajinomoto to avoid the impact of external threats. Next, Weak and Opportunity (WO) aim at improving internal weakness by taking advantage of external opportunity. While, Weak and Threat (WT) defensive tactics directed of reducing internal weakness and avoid external threats.

5.1.1 STRENGTH AND OPPORTUNITY (SO)

Table 5.1.1 SO Strategies of Ajinomoto

SO Strategies	
1	Export more Ajinomoto products to Muslim Asian country. (S7,O7)
2	Increase the production by utilizing the technology effectively. (S5,O6)
3	Produce the new product that suit customer's need and preferences. (S9,O3)
4	Maintain their product quality to attract more customers. (S8,O5)

The first strategic for SO for Ajinomoto is export more Ajinomoto products to Muslim Asian country (S7,O7), that means Ajinomoto need to diversify the product around the world to ensure the product well-known in all country. Next, Ajinomoto need to increase the production by utilizing the technology effectively (S5,O6) in order this will include improving productivity and efficiency, better flexibility and agility, and increased profitability. Ajinomoto need to improve in produce the new product that suit customer's need and preferences (S9,O3) that mean Ajinomoto need to make an improvement towards the product to ensure customer enjoy use it and satisfied with the new product. Finally, Ajinomoto need to maintain their product quality to attract more customers (S8,O5) by continue to grow in retail product range and its quality by always striving to offer innovative products and services of the highest standard and quality.

5.1.2 STRENGTH AND THREAT (ST)

Table 5.1.2 ST Strategies of Ajinomoto

ST Strategies	
1	Do aggressive marketing to market their product. (S4,T9)
2	Increases the market share for the existing product through greater marketing effort. (S1,T9)
3	Diversified their product the suit all the customers preferences. (S4,T8)
4	Seek low cost supplier. (S9,T4)

In Strength and Threat (ST) strategic, Ajinomoto need to do aggressive marketing to market their product (S4,T9), because businesses need to build a relationship of trust and understanding with their customers. Then, increases the market share for the existing product through greater marketing effort (S1,T9) because marketing is a tool to keep the conversation going. Next, need to diversify their product the suit all the customers preferences (S4,T8) to ensure customer choose the Ajinomoto product as their daily use. Seek low cost supplier (S9,T4) because it allows the company to maintain that advantage and even increase it.

5.1.3 WEAKNESSES AND OPPORTUNITY (WO)

Table 5.1.3 WO Strategies of Ajinomoto

WO Strategies	
1	Make attractive packaging to attract more customer. (W9,O6)
2	Increases the product line in Malaysia to become the market leader. (W10,O5)
3	Implement online retailing to meet the customers demand. (W8,O6)
4	Do more innovation on the existing products. (W2,O3)

The first strategy of WO is making attractive packaging to attract more customer. (W9,O6) to ensure keeping products fresh longer. Next, Ajinomoto increases the product line in Malaysia to become the market leader (W10,O5) that mean expanding a product line can help to increase customer loyalty. After than that, Ajinomoto need to implement online retailing to meet the customers demand (W8,O6) because it might be easy for the customers to access to market. Then, do more innovation on the existing products (W2,O3) to differentiate the business from its competitors and increase the perceived value to the customers and markets.

5.1.4 WEAKNESSES AND THREAT (WT)

Table 5.1.4 WT Strategies of Ajinomoto

WT Strategies	
1	Open online retailing store to cut the operating cost (W8,T7)
2	Maintain the low dividend yield to put most or all its profits back into its expanding business.(W4,T4)
3	Introduce existing product line into Malaysia to overcome the tight competition among competitors (W10,T1)
4	Overcome the aggressive marketing activities by having a cooking show (W7,T9)

Ajinomoto need to open online retailing store to cut the operating cost (W8,T7) by streamlining supply-chain management and distribution. Then, maintain the low dividend yield to put most or all of its profits back into its expanding business (W4,T4) because this allows a company to keep some of its profit to reinvest in growth rather than paying it out to shareholders. After than that, Ajinomoto must introduce existing product line into Malaysia to overcome the tight competition among competitors (W10,T1) because consumers are more likely to purchase products from brands with which they are already familiar. Lastly, Ajinomoto need overcome the aggressive marketing activities by having a cooking show (W7,T9)

5.2 SPACE MATRIX

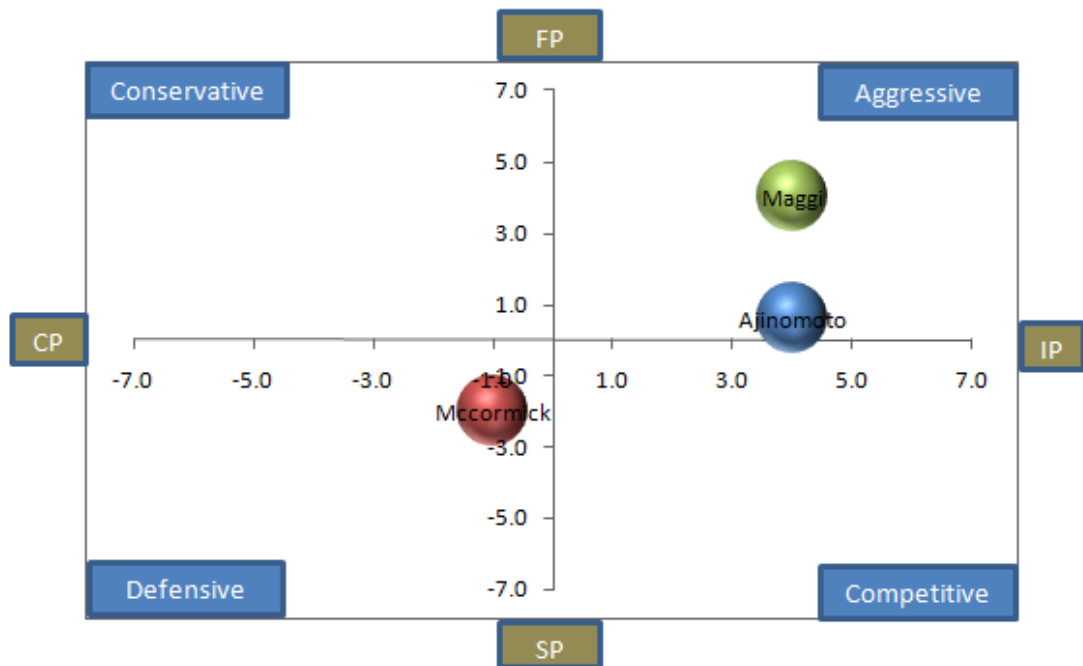
SPACE Matrix is a management tool that is used to analyse a company by focusing on the strategy formulation that related to the competitive position of an organization. It is used to determine what type of a strategy that a company should take on. The concept of SPACE matrix is that the strategy will be broken down into four quadrants. Each quadrant explains different nature of the strategy which is aggressive, conservative, defensive and competitive strategy.

The SPACE matrix is constructed by plotting calculated values for the competitive advantage (CA) and industry strength (IS) dimensions on the X axis. The Y axis is based on the environmental stability (ES) and financial strength (FS) dimensions. The SPACE matrix of Ajinomoto is formulated as below:

Table 5.2 SPACE Matrix of Ajinomoto

<i>Internal</i>		<i>External</i>	
<i>Analysis:</i>		<i>Analysis:</i>	
<u>Financial Position (FP)</u> -		<u>Stability Position (SP)</u> -	
Return on Asset	2	Rate of Inflation	-4
Leverage	5	Technological Changes	-2
Liquidity	6	Price Elasticity of Demand	-2
Earnings per Share	3	Competitive Pressure	-5
Cash Flow	3	Barriers to Entry into Market	-3
<u>Financial Position (FP) Average</u>	3.8	<u>Stability Position (SP) Average</u>	-3.2
<i>Internal</i>		<i>External</i>	
<i>Analysis:</i>		<i>Analysis:</i>	
<u>Competitive Position (CP)</u>		<u>Industry Position (IP)</u> -	
Market Share	-1	Growth Potential	5
Product Quality	-1	Financial	4
Customer Loyalty	-2	Stability	4
Technological know-how	-1	Ease of Entry into Market	6
Control over Suppliers and Distributors	-1	Resource Utilization	6
		Profit Potential	5
<u>Competitive Position (CP) Average</u>	-1.2	<u>Industry Position (IP) Average</u>	5.2

Figure 5.2 SPACE Matrix of Ajinomoto



Based on the SPACE matrix above, it shows that Ajinomoto is in an aggressive quadrant as it is positioned at the coordinate at x-axis of 4.0 and y-axis of 0.6. This means that SPACE matrix tells that Ajinomoto should pursue the aggressive strategy as it has a favourable position. Ajinomoto has a strong competitive position in the market with rapid growth. It needs to use its internal strengths to develop a market penetration and market development strategy. This can include product development, integration with other companies and acquisition of competitors

5.3 IE MATRIX

The IE Matrix is a strategic management tool which is used to analyse the current position of the divisions and suggest the strategies for the future. (IE) Matrix is based on an analysis of internal and external business factors which are combined into one suggestive model. The IE matrix is a continuation of the EFE matrix and IFE matrix models (Francis, 2014).

The IE matrix is based on two criteria. The first criteria are the score from the EFE matrix which plotted on the y-axis and the second criteria is score from the IFE matrix which plotted on the x-axis. For every score that plotted on the axis, a line will be drawn where on y-axis, horizontal line and on x-axis,

a vertical line will be drawn. The point meeting between two line is the strategy needed for company to followed. On the x axis of the IE Matrix, an IFE total weighted score of 1.0 to 1.99 represents a weak internal position, a score of 2.0 to 2.99 is considered average and a score of 3.0 to 4.0 is indicate strong. On the other hand, on the y axis, an EFE total weighted score of 1.0 to 1.99 is considered low, a score of 2.0 to 2.99 is medium and a score of 3.0 to 4.0 is high.

Based on Ajinomoto`s IE Matrix graph, it can be seen that Ajinomoto has high internal factor evaluation (IFE) with total weighted score of 3.6 which is nearer 4. This indicates that Ajinomoto company have a good strategy and they are good in using their strength to overturn their weaknesses. This strength includes on how they cater with the problems of packaging, marketing and many more. However, even though Ajinomoto`s IFE is strong, but they still need to do improvement on their weaknesses to attract more customers to buy and loyal to their products.

As for external factor evaluation (EFE), the weighted scores of 3 indicate Ajinomoto external strategies is quite strong but still need to be improve. IE Matrix suggest Ajinomoto to implement grow and build strategy. The strategies should focus on market penetration, market development, and product development. From the operational perspective, a backward integration, forward integration, and horizontal integration should also be considered. (Maxi-pedia, 2017).

In order to encounter with aggressive competition with other competitors, Ajinomoto can do more attractive advertising activities through either social media or digital marketing such as television and radio. By having aggressive attractive marketing, people will lean to Ajinomoto`s product rather than other competitors as they are attracted by the advertising. Other than that, as IE Matrix suggest doing market development, market penetration and product development, Ajinomoto can develop their products in Malaysia just like they develop their products at other country. For example, Ajinomoto launched high-potency sweetener advantage which is only sold in USA, Europe, Japan, China, Taiwan and elsewhere.

5.4 QSPM

We have chosen 2 strategies which are market penetration and product development. We use QSPM to determine the attractiveness of our 2 strategies that derived from the SWOT Matrix, Space Matrix and IE Matrix.

Table 5.4.1 QSPM Strengths

	Strengths	Weight	MARKET PENETRATION		PRODUCT DEVELOPMENT	
			AS	TAS	AS	TAS
1	Highly known brand name	0.10	3	0.30	1	0.10
2	Malaysia's strong financial stability	0.03	4	0.12	2	0.06
3	Ajinomoto factory are located at strategic location	0.04	0	0.00	0	0.00
4	Product diversification compare to their competitors in Malaysia	0.03	4	0.12	1	0.03
5	Comprehensive production technology	0.10	2	0.20	4	0.40
6	Low threat of new entrance due to high entr�ee barriers and involve high capital	0.02	3	0.06	2	0.04
7	Ajinomoto have Halal certificate	0.03	4	0.12	1	0.03
8	Loyal customer base	0.05	4	0.20	3	0.15
9	High responsiveness to customer	0.04	3	0.12	4	0.16
10	High cost advantage	0.06	3	0.18	4	0.24

Table 5.4.2 QSPM Weaknesses

	Weaknesses	Weight	MARKET PENETRATION		PRODUCT DEVELOPMENT	
			AS	TAS	AS	TAS
1	Ajinomoto are known as seasoning product with higher MSG	0.10	4	0.40	1	0.10
2	Focus to high seasoning business	0.01	0	0.00	0	0.00
3	Illiquid trading volume	0.02	3	0.06	4	0.08
4	Low dividend yield	0.04	2	0.08	4	0.16
5	High portion of revenue from MSG product	0.04	0	0.00	0	0.00
6	Lack of promotional and advertising activities	0.06	4	0.24	3	0.18
7	Ajinomoto did not exploit much on digital marketing	0.06	4	0.24	1	0.06
8	Ajinomoto does not have online retailing	0.05	4	0.20	1	0.05
9	Unattractive packaging	0.02	1	0.02	4	0.08
10	Product line are not introduced in Malaysia as much as other country	0.10	1	0.10	4	0.40

Table 5.4.3 QSPM Opportunities

	Opportunities	Weight	MARKET PENETRATION		PRODUCT DEVELOPMENT	
			AS	TAS	AS	TAS
1	Acquisition of smaller brand	0.02	0	0.00	0	0.00
2	Emerging market and expansion abroad	0.04	3	0.12	4	0.16
3	Innovation in existing product	0.03	1	0.03	4	0.12
4	The growth in Malaysia market is supported by Urbanisation	0.02	0	0.00	0	0.00
5	Market leader with a trusted brand name	0.08	4	0.32	1	0.08
6	Increasing demand for processed food and growing F&B food service	0.07	4	0.28	2	0.14
7	Higher MSG consumption in Asia	0.10	4	0.40	3	0.30
8	Developing industrial segment in Malaysia leads to high sales to processed food producers	0.05	4	0.20	1	0.05
9	The sales grew at a compound annual growth rate in the past years together with the growth rate of F&B establishment	0.04	4	0.16	1	0.04
10	High advantages in Exporting activities due to preference of middle east and Asian people in seasoning product	0.06	3	0.18	3	0.18

Table 5.4.4 QSPM Threats

	Threats	Weight	MARKET PENETRATION		PRODUCT DEVELOPMENT	
			AS	TAS	AS	TAS
1	Competition from another producer	0.10	4	0.40	3	0.30
2	Consumer opting for lower price product in the face of inflation	0.01	4	0.04	1	0.01
3	Product substitution in seasonings is high	0.02	4	0.08	3	0.06
4	Unpredictable economy	0.08	0	0.00	0	0.00
5	Price War	0.07	4	0.28	1	0.07
6	Eagerness in Healthy Lifestyle	0.03	3	0.09	1	0.03
7	Rising operating cost	0.05	4	0.20	1	0.05
8	Changing of customer taste and preference	0.01	1	0.01	4	0.04
9	Aggressive marketing by for-profit competitor	0.07	4	0.28	3	0.21
10	Negative perception toward seasoning food	0.05	3	0.15	1	0.05
	STAS			5.98		3.32

As for the conclusion, the result of the QSPM for Ajinomoto indicate that the business should implement Market Penetration. Specifically, the summed total attractiveness score for Market Penetration is 5.98 which is higher than the Product Development Strategy which score of 3.32. The results of QSPM reveal that the strategy 1 is more attractive compared to strategy 2. That is, when considering the internal and external factors associated with the company industry, the company's strategy to implement Market Penetration is more attractive than Product Development.

This is supported by first internal factor which is strengths. Based on the first row of table 5.4.1 "Highly known brand name" was assign with the highest weighted score of 3 for AS under market penetration strategy. This indicate that this strength is very useful for Ajinomoto because the first strategy required augmented promotions so this strength can be use in order to attract more people. When Ajinomoto do augmented promotions, people will be attracted to purchase their products as Ajinomoto is an established and well-known brand that provide with cheaper product and higher quality to their customers. So, people either their current customers or new customers will tend to purchase the products knowing it is under brand of Ajinomoto.

Other than that, Ajinomoto have a comprehensive production technology. This can be proven as their headquarters which located in Japan have their own research institute for Bioscience Products & Fine Chemicals and also Institute of Food Sciences and Technologies. Other countries such as Russia and China also have institution to develop innovation for their products. To implement the innovation, Ajinomoto will need to have better technology to help them to do more experiments and to innovate new products. Even so, Ajinomoto is not depending on their well-known brand to have a comprehensive production technology as they only need to improve their products.

The second internal factor which is weakness also supported the business to implement market penetration. In the table above, it shown that Ajinomoto is known as seasoning product with higher MSG has the highest weighted score of 4 for AS in market penetration. This indicate that, in order to overcome the weakness of high MSG, market penetration is needed for the company to be implemented. For example, by implementing market penetration, Ajinomoto can be more unique and think differently from

their competitors where they can be more innovative and adding more value to their products to enhance their success chances.

Moreover, Ajinomoto is weak at promotional and advertising activities as their weighted score is quite high as high as 4 at AS. To encounter the weakness, Ajinomoto need to implement market penetration more than product development where they can do upsurge usage by do a marketing promotion campaign. Thus, this will lead to increase in sales of the company.

External factor also supported the implementation of market penetration. This can be seen from the first external factor which is opportunities. In table 5.4.1, higher MSG consumption in Malaysia has the highest weighted score of 4 at AS. This indicate that, the higher the MSG consumption in Asia, the higher the opportunity for Ajinomoto to promote their products in Asia. This is the reasons why Ajinomoto should implement market penetration as they can do aggressive promotion to attract more people to use their products. The aggressive promotion will lead to drastic results such as increasing in sales. Thus, Ajinomoto will gain abnormal revenue as they have successfully analysed the market.

Besides that, under opportunity, market leader with trusted brand name also have highest weighted score of AS with score of 4 while in product development, the weighted score is lower as lower as 1. This shows that Ajinomoto is in need to implement market penetration rather than product development. By implementing market penetration, Ajinomoto can create barriers to enter the market. For example, by minimizing their variable costs, they can boost their sales and establish a barrier to entry for others. With a substantial share in the market and an efficient marketing process, Ajinomoto could create a barrier to entry to prevent competitors from coming into their industry.

Under second external factor which is threat, price war shows a highest weighted score with 4 at AS. To overcome the threat, market penetration is a good strategy to be used as they can compete with other competitors through price adjustment. For example, as Ajinomoto is a known brand, they can implement price competitiveness where they set their price below the price of their competitors. When Ajinomoto implemented this price competitiveness, they actually gain more customers as people will tend to purchase their products because they believe, even though Ajinomoto is cheaper than the other brands, but they still deliver higher quality products for their customers.

The second threat that need to be treated by market penetration is product substitution in seasoning is high. As we know, there are many brands that sell seasonings in the market such as Maggi and McCormick. So, in order to encounter with excess seasonings in market, Ajinomoto need to implement market penetration. Through market penetration, Ajinomoto can improve their products at better standard. For example, they can improve their packaging as many customers will always look at the appeal first before purchasing any products. Therefore, Ajinomoto can attract more people either their current customers or new customers to purchase their products and this will reduce the demand for their other seasoning brands.

6.0 OBJECTIVE, STRATEGY, RECOMMENDATIONS AND ACTION PLANS

6.1 OBJECTIVE, STRATEGY AND RECOMMENDATIONS

Based on external analysis, higher MSG consumption is important for Ajinomoto because the company is popular with the production of their MSG seasoning products. From the analysis, it shows the highest weightage of 0.10 for the higher MSG consumption in Asia because this could be considered as the main opportunities to the company. This is because Ajinomoto's seasoning products is widely used not only by homemakers to enhance the taste of any dishes but also by hawkers and professional chefs in restaurants all over the world. It is also added into variety of processed foods, frozen foods, soups, snacks, instant noodles and others. Other than that, the second highest weightage for Ajinomoto's opportunities is to be the market leader with a trusted brand name. In order to become a market leader, the company need to find ways to differentiate themselves from others in the industry. Ajinomoto should transform the business by being remarkable and have a stand-out product to be successful in the industry.

On the other hand, it is common for the company to be affected by the external threats. The highest weightage for Ajinomoto threats is 0.10 which indicates the competition from other producers. Thus, it is important for Ajinomoto to beat their competitors by finding out who are the competitors, what they are offering, and what are their strengths and weaknesses. By doing this, Ajinomoto can identify the areas they need to compete in and give a platform for differentiating the company. They should also step up the marketing by making more effort to tell people who they are, what they sell and why consumer should buy from the company. Furthermore, the second highest weightage is 0.08 which indicate unpredictable economy. Even though it is hard to reduce the associated threats, Ajinomoto should do forecasting for future economy. They can implement internal forecasting process by using complex models and pure judgement based on perturbation of recent events. By using the forecasting process, they able to estimate inflation and Ajinomoto can adjust their policy according to what they have forecasted.

From the internal analysis, we can see that Ajinomoto is a highly known brand name with the highest weightage of 0.10. This could be the main strength for Ajinomoto because it is how the company gets recognition and becomes known to the consumers. Ajinomoto should maintain their reputation because it can create trust within the marketplace among the consumers, potential clients and

customers. The tendency for people to do business with the company also will be high if they have a well-established brand name. Being properly branded gives the impression of being industry experts and makes the public feel as though they can trust the company, the products and services it offers and the way it handles its business. Moreover, comprehensive production technology also carries the same weightage of 0.10. Ajinomoto need to invest more on the best technology to ensure the production time is shorter, the product quality is higher as compared to competitors. They also need to follow the trends throughout the globalization world because the technology keeps changing day by day.

There are some weaknesses that should be improve by Ajinomoto and the highest weightage is 0.10 which indicate product line are not introduced in Malaysia as much as other country. In other words, it means that Malaysian Ajinomoto does not have variety of product such as frozen foods and instant noodle that was introduced in other country. Therefore, Ajinomoto Malaysia should create more product lines besides the seasoning products in order to attract more consumers and able to compete with their competitors in the industry.

6.2 ACTION PLAN

Market penetration is a measurement of how much a product or service is being used by the customers compared to the total estimated market for that product or service. Market penetration also relates to the number of potential customers that have purchased a specific company's product instead of a competitor's product. Generally, market penetration can help company to determine their potential to gain market share or grow their revenue through sales.

On the other hand, product development is a creation of products with new or different characteristics that offer new or additional benefits to the customers. Product development may involve modification of an existing product or its presentation in order to satisfies the current customers, newly customers and also market niche.

From the QSPM of Ajinomoto, we are focusing on two strategies which are market penetration and product development. As what have been mentioned on first paragraph, in order to ensure the survival of the company in the market, they need to identify the number of potential customers that have

purchased the company's products instead of competitors. When the company have analysed their potential customers, they can start to plan and take action on that plan.

For example, in order to implement market penetration, Ajinomoto have set price competition where they lower down their price below the price of their competitors such as Maggi and McCromick. The price is set lower as from the analyzation, their customers comes from different level of income which is from higher income such as chef to the lowest income such as housewives as they are depending on their husband's income to purchase home groceries. Therefore, they lower the price of Ajinomoto so it can make their products becomes more cheaper than the other competitors and with higher quality that they hold, they can make their customers to stay loyal and can attract new customers to purchase their products.

Other than that, in implementing market penetration, Ajinomoto have taken an action to ensure their customers enjoyed using their products. For example, for every purchase of 300-gram seasoning under Ajinomoto brands, their customers will be given a new product of Ajinomoto such as Seri-Aji Kampung Style Fried Rice, Multipurpose seasoning and also Tomyam Seasoning. This will encourage their customers to purchased more of their products as they enjoyed receiving the freebie and indirectly, Ajinomoto get to promote their new products to their customers and maybe they can also gain more new customers through this strategy.

As for product development, Ajinomoto can enhance and variety their products from the current product line. As Ajinomoto have advantages in technology, they can do R&D to produce a new product from the previous one. For example, from the original seasoning such as MSG, Ajinomoto can produce another seasoning that can help the cooker to cook more quickly but still maintain the original taste of the food or can make the food tastier than using the original recipe. For instance, the seasoning that have been mentioned earlier are Black pepper seasoning, seasoned flour and Masak Merah seasoning. By developing the original products, customers can stay loyal as they have many products to try and thus will help them encounter the aggressive competition with other competitors.

From overall action plan taken, we suggest Ajinomoto to implement market penetration as Ajinomoto is already at advantages because firstly, they are already popular and widely known brand among the seasoning customers as they have been in the market for long time. Other than that, Ajinomoto have

loyal customer base. So, if they implement market penetration and employed the action as what have been mentioned in the above paragraph, they will incur more sales and revenue which thus, will boost their share in the market and put them as a market leader in the industry.

Ajinomoto's Strategy for Their Factory

Ajinomoto to invest RM355m in new factory

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Tuesday, 13 Aug 2019
12:59 PM MYT

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KUALA LUMPUR: **Ajinomoto (Malaysia) Bhd** is investing RM355mil for a new plant and corporate office in Techpark@Enstek in Seremban.

It said on Tuesday it plans to strengthen the development and production for halal-compliant products as the recognised and established halal food and seasoning manufacturer.

"The new plant will enable Ajinomoto Malaysia to meet this plan which will contribute to the company's continuing profit growth and sustainability for the future business expansion," it said.

It said the new plant would initially be for manufacturing its current range of halal consumer and industrial products, including Umami seasoning Aji-No-Moto, flavour seasonings, menu specific seasonings and products for the industrial food producers.

Ajinomoto said the new plant would also have capacity and space for manufacture of new products that the company may launch.

"The introduction of advanced technology will enable the company to further improve its overall efficiencies and productivity," it said.

Work is expected to start in October 2019 and to be completed by March 2022.

The costs of the new plant will be funded through a combination of internally generated funds and external borrowings.

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Ajinomoto said the new plant would also have capacity and space for manufacture of new products that the company may launch.

"The introduction of advanced technology will enable the company to further improve its overall efficiencies and productivity," it said.

Work is expected to start in October 2019 and to be completed by March 2022.

The costs of the new plant will be funded through a combination of internally generated funds and external borrowings.

"The cost of the new plant is not expected to have any effect on the share capital of the company and the shareholding of the shareholders of the company.

"However, it is expected to impact on the earnings of the company in the initial few years of operating at the new plant due to depreciation of the new assets and repayment of external borrowings," Ajinomoto said.

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Source : The Star Online

Ajinomoto's Hands-On Culinary Class Promotion

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Wish to learn the appetising local & international cuisines? Come and join us at Umami Club Hands-on Culinary Class, "Jom Masak!". This culinary class is specially dedicated to Umami Club members and it is all **FREE!**

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Menu

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4. Sweet Potato Onde-Onde

Date
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(SATURDAY)

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Chef Profile
Chef Judy with more than 30 years working experience in the field of culinary and she has developed hundreds of recipes for numerous food related companies, working together with hotel's professional chef and cruises to share not only Malaysian but also International cuisines. She also involves herself in cooking workshops and demonstration in associations, complexes and hotels.

Terms and conditions :

- Participants' seat confirmation will be sent via email to applicants within 10 days after the closing date
- All cooking materials & utensils will be provided by Ajinomoto (Malaysia) Berhad
- Participants should arrange their own transportation
- Seat for the class is not transferrable
- Lucky draw session is only eligible for those confirmed participants who are at the venue during the lucky draw session. No representative is allowed during the lucky draw
- Ajinomoto (Malaysia) Berhad decision is final and no further correspondence or appeal on the participations selection or Lucky Draw Winner will be entertained
- For more details or registration, please log-on to www.ajinomoto.com.my
- For further enquiries, please contact Corporate Communications Department at +603-79806958 (Ext 433/460)
- By participating in the cooking class, participants agree and have given the organiser the rights to use the photographs taken during the class for the purpose of social media and website promotion.

Source : Ajinomoto's website

Ajinomoto's Cost Management and Sales Plan

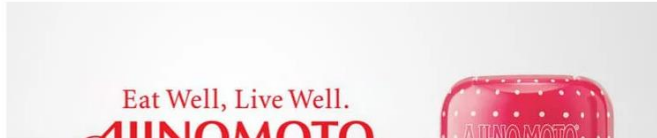
Ajinomoto's cost management, sales plan seen to strengthen sales, profit

JF Apex Securities / The Edge Financial Daily
March 28, 2019 11:57 am +08



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This article first appeared in The Edge Financial Daily, on March 28, 2019.



Ajinomoto (Malaysia) Bhd
(March 27, RM17.88)

Maintain hold with a lower target price (TP) of RM19.17 (previously 19.88). The Department of Statistic Malaysia recently released the Consumer Price Index (CPI) data for February 2019. Headline inflation remains deflated for two consecutive months but narrowed its decline to -0.4% year-on-year (y-o-y) from -0.7% y-o-y in January 2019. Meanwhile, on a monthly basis, headline inflation rebounded to +0.2% month-on-month (m-o-m) from -0.5% m-o-m in January.

Based on the latest CPI data, we reckon that Ajinomoto (Malaysia) Bhd's product pricing and demand are not affected by inflation and/or deflation trend as evidenced by the difference in movement of its sales and CPI.

As such, we are sanguine about Ajinomoto's future prospects following its strong brand and steady consumer demand over the years with wide range of product offerings to both retail and industrial customers. Besides, the group also has strong export positions in many countries.

Advert placement



For the nine months of financial year 2019 (9MFY19), Ajinomoto registered a net profit of RM4.8 million which grew 7.7% y-o-y, while revenue improved 2.2% y-o-y to RM382.2 million. The encouraging results were due to steady revenue and earnings in the consumer segment.

Over the past five decades, Ajinomoto's umami seasoning has become a household brand among Malaysian consumers. The group's brand has grown into a market leader with dominant market share of over 80%. Under its consumer business, "Ajinomoto" MSG is the largest revenue contributor to this segment

following its matured position in the Malaysian market. Going forward, other products are also expected to register positive growth rate such as "Tumix" flavour seasoning, "Seri Aji" menu seasoning, and other seasonings such as "Aji-Shio", "Aji-Mix" and sweetener PalSweet in tandem with growing demand.

Despite dominating the MSG market, Ajinomoto faces stiff competition in other food and seasoning products from local brands and overseas producers. Based on its latest financial results, management is cautious that foreign exchange fluctuations and trade tensions could inflate the cost of imported raw materials. However, the group will adopt the effective cost management as well as sales plan to strengthen overall sales and profit

We maintain our earnings forecast for FY19 but tweak down FY20 earnings by 5% due to higher cost of imported raw materials following foreign exchange fluctuations.

The lower TP of RM19.17 (previously RM19.88) is based on revised 2.7 times FY20F price-to-book (previously 2.8 times). — JF Apex Securities, March 27

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Ajinomoto's Strategy in diversifying their product

The Malaysian Reserve
FOR THE REAL CONVERSATION
Thursday, December 5th, 2019

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Ajinomoto – the star at the local bourse

Tuesday, July 4th, 2017 at , Business | Money



By **DASHVEENJIT KAUR**

Ajinomoto Malaysia Bhd has been one of the best performing counters at the local bourse.

The manufacturer of food flavouring monosodium glutamate (MSG) and other related seasoning products has been riding on the market's positive sentiments and rise.

The share price of the firm has soared about 93% since June last year from RM12.36 to RM24.24 yesterday. The counter had hit a 52-week high of RM25. This year alone the counter has already rose 74.78% and a one-year return of 98.8%, according to *Bloomberg's* data.

Back in 2014 and 2015, Ajinomoto Malaysia's share price was only at an average of RM5.74 and RM6.75.

Formerly known as an MSG manufacturer, it has transformed into a major food producer – from coffee products to soups, edible oil and dressing, and sausages.

The group now has a market value of almost RM1.5 billion compared to RM410.4 million two years ago.

Its share price peaked at RM24.78 on June 23, 2017, while its 52-week low was approximately a year ago where its share price was 100.48% lower at RM12.36.

According to *Bloomberg* data, the stock rose 25% in the past month, compared to a 3.1% increase for the company's peers.

For the fourth-quarter ended March 31, 3017 (4QFY17), the firm's net profit surged 22 times to RM148.96 million compared to just RM6.59 million a year earlier.

The jump in net profit was mainly contributed by RM144.49 million in other income, the group said in its filing to Bursa Malaysia.

Despite a more stringent foreign workers policy and higher imported raw materials costs, which mostly are quoted in the US dollar, the company has been able to brave the competition. Ajinomoto Malaysia is said to have a 90% market share in the country, according to the group's quarterly results.

The group said its revenue for 4QFY17 rose 4.3% to RM114.93 million from RM110.24 million in 4QFY16, contributed by improved sales in both its consumer and industrial business segments.

Operating profit rose 60.87% to RM14.8 million from RM9.2 million, supported by higher revenue and lower advertising expenses.

For FY17 as a whole, the group recorded an increase of 360% in net profit to RM187.46 million from RM40.79 million in FY16, pushing the company's share price to new territories.

Revenue was up 4.93% at RM419.92 million from RM400.2 million and earnings per share for 4QFY17 swelled to RM2.45 from 10.84 sen previously.

The group declared a special one-off dividend of RM1.13 per share for FY17, in addition to its first and final dividend of 42 sen per share.

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Wait for institutional investors grows as crypto funds close

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Diversifying Into A Major Food Company

Ajinomoto Malaysia has two major segments, which are the *umami* segment and the food and seasoning segment.

The *umami* segment is the manufacturing and distribution of MSG and related products, while the food and seasoning segment is the manufacturing and distribution of industrial seasonings, retail flavour seasoning and related seasonings.

Under the retail segment, it has eight different brands including Tumix, Aji-No-Moto, Seri-Aji and Aji-Shio.

Ajinomoto Malaysia also trades goods such as industrial sweeteners and frozen foods. It also provides services related to the food industry.

Earlier this month, the group announced its plan to diversify its product offering to include food products as it tries to become one of the leading food companies by 2020. Yesterday, the company announced the appointment of Naoko Yamamoto as the firm's new MD to chart the company's new growth. She replaced Keiji Kaneko who was re-assigned to another position by Ajinomoto Co Inc, Japan. The company also announced the appointment of Hiroki Suzuki as the ED.

Kaneko had previously reported as saying that Ajinomoto Malaysia targets to achieve a 7% share from food product sales three years from now.

The company, among the first Japanese joint-venture companies to set up its base in Malaysia in 1961, has become a household brand.

The company, among the first Japanese joint-venture companies to set up its base in Malaysia in 1961, has become a household brand.

The company is expected to market consumer items imported from its overseas affiliates as well as in-house-made products.

Ajinomoto Malaysia also said it hopes to emulate the line of food products being offered by its regional counterparts such as Thailand, which supplies three-in-one as well as canned coffee drinks, in addition to seasoning products.

The group is also eyeing export markets in the Middle East. The company already has a presence in Saudi Arabia and also operates in Oman, Yemen and Jordan.

It currently exports its products to about 20 countries in Asia, South America, Africa and Oceania.

According to the group, currently export sales contribute 35% of Ajinomoto Malaysia's revenue, 20% of which comes from Saudi Arabia. The remaining 65% is contributed by domestic sales.

The company's shares have been rising. It reflected the confidence of the investing community on its future earnings. For now, Ajinomoto is thrilling investors with a good dividend and capital hefty returns.

Source : The Malaysian Reserve

Ajinomoto strategies in handling false rumours

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Peta stages protest outside Ajinomoto Berhad office (Updated)

AMAR SHAH MOHSEN - DIANA ALIA - ALISHA NUR | 28 NOV 2019 / 10:54 H.



Protesters confined in a cage, during the protest in front of Ajinomoto (Malaysia) Berhad's building, on Nov 28, 2019.

KUALA LUMPUR: Animal lovers gathered at the office of flavour enhancer manufacturer Ajinomoto (Malaysia) Berhad today to protest against the alleged use of animals in food tests.

Organised by People For The Ethical Treatment of Animals (Peta) today, Peta volunteers dressed as rats and were confined in barren metal cages with signs that said "Ajinomoto: Stop Animal Tests." The protest lasted for an hour.

Peta member Olivia Charlton, who led the protest, said this was the second animal testing protest against Ajinomoto.

When asked if there would be a third protest, she replied in the affirmative but refused to divulge further details.

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"It's clear that there are elements trying to politicise the issue especially with the upcoming party congress."
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Besides Olivia, the other protesters consisted of three local volunteers and another from the Philippines.

"The first protest against the parent company (main headquarters) was held on Nov 1 in Tokyo and we distributed leaflets to the staff there because many of them did not know about the animal cruelty that is happening in the company," she said.

Olivia said Ajinomoto had responded to Peta through email but no guarantee was given that Ajinomoto would end the tests on animals, adding that Peta will continue protesting against Ajinomoto.

"We will keep going and will protest at different locations where Ajinomoto offices are located until they stop animal testing for food," she said while adding the tests are completely unnecessary as the product is already safe for human consumption.

"Cutting open dogs, starving rabbits, and electro-shocking mice are horrific and wasteful. It does not benefit human health," said Peta senior vice-president of International Campaigns Jason Baker.

Peta called on Ajinomoto to join the growing industry movement to ban crude animal tests and instead use modern, animal-free methods.

In an immediate response, the Malaysian chapter of Ajinomoto said it was concerned by the protest organised by Peta in its vicinity, and has denied any animal testing in the country for its products.

It added that the Japanese food and biotechnology multinational corporation was committed to social responsibilities, and that any testing at its other factories worldwide would abide by international rules and regulations.

"Ajinomoto (Malaysia) Bhd would like to declare that we do not conduct any animal testing and we are not in the position to comment on animal testing or activities claimed by Peta," it said in a statement to theSun today.

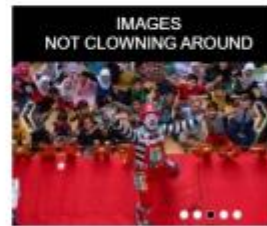
"And any animal testing activities carried out by Ajinomoto Co. Inc. are in compliance with the international scientific and ethical rules, including Japan's Law for Protection and Management of Animals.

"The company always acts in accordance with its commitment to animal well-being," it added.

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Source : The Sun Daily

Ajinomoto strategy in improving their growth by increasing their export

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Halal export-driven growth upside seen for Ajinomoto

Affin Hwang Capital / The Edge Financial Daily
September 24, 2019 10:41 am +08

This article first appeared in The Edge Financial Daily, on September 24, 2019.



Ajinomoto (Malaysia) Bhd
(Sept 23, RM16.50)

Maintain buy with a lower target price (TP) of RM19.80: We remain assured of Ajinomoto (Malaysia) Bhd's medium-term growth prospects, led by a healthy increase in exports and a steadfast domestic business. In particular, we still see robust demand from the Middle East for its halal-certified products amid a developing consumer base. Despite a three-year forecast core earnings compound annual growth rate of only 3%, we like the stock for its undemanding valuations, defensive earnings and halal export-driven upside potential to growth.

To recap, Ajinomoto saw robust results for the first quarter of financial year 2020 (1QFY20), with a core net profit up 29% year-on-year (y-o-y). Its revenue growth of 6% y-o-y was lifted by a surge in exports to the Middle East (+53% y-o-y) and other Asian countries (+24% y-o-y), aided by a recovery in sales of industrial products and a stronger greenback (+3% y-o-y). We expect a similarly good showing for the rest of FY20 on a healthy domestic private consumption, a strong export momentum and a stable foreign exchange, which should contain raw material procurement costs.

We made no changes to our earnings forecasts. Although its earnings growth would be muted by a new plant's construction and commencement, an upside to growth is possible given the group's halal-driven export momentum. We reaffirm our "buy" rating on Ajinomoto albeit with a reduced TP of RM19.80, based on a lower calendar year 2020 price-earnings ratio of 20 times, from 22 times, in line with its three-year average. — Affin Hwang Capital, Sept 23

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Source : The Edge Market

Ajinomoto relocate their plant

The screenshot shows a news article on the FoodBev Media website. The article is titled "Ajinomoto invests \$84.9m to relocate Malaysian subsidiary" and is dated August 20, 2019. The main headline of the article is "Eat Well, Live Well. AJINOMOTO®". The article text describes the relocation of the Ajinomoto Malaysia Berhad (AMB) subsidiary to a new plant in Bandar Enstek, Malaysia, for a total investment of MYR 355 million (\$84.9 million). The new plant is set to be operational in April 2022 and will produce a range of seasoning and products for processed food manufacturers. The article also mentions that the new plant will allow for the creation of next-generation food products through advanced technology and will reduce CO2 emissions by changing the heat source from fuel oil to natural gas. The article includes social media sharing options and tags for Ajinomoto, Halal, and Malaysia.

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Ajinomoto invests \$84.9m to relocate Malaysian subsidiary

Posted By Contributor on August 20, 2019 in Food, Industries, Ingredients, Manufacturing

Ajinomoto is relocating its Ajinomoto Malaysia Berhad (AMB) subsidiary to a new plant in Bandar Enstek, Malaysia, to strengthen the development of halal products.

The Japanese ingredients company will spend MYR 355 million (\$84.9 million) on the facility, which will be operational in April 2022 and will produce a range of seasoning as well as products for processed food manufacturers.

Since its foundation in 1961, AMB has been based in Kuala Lumpur. To ensure a satisfactory environment for stable production in the future, AMB decided to relocate and build a new plant.

The site, techpark@enstek, was selected because it offers an infrastructure that meets halal standards, good conditions for logistics, and the potential to secure additional space in the event of future business expansion.

According to Ajinomoto, the plant will allow for the creation of next-generation food products "through the introduction of advanced technology".

The company will reduce CO2 by changing the heat source from fuel oil to natural gas. It is also considering the introduction of renewable energy such as solar power.

In a statement, Ajinomoto said: "With the construction of this new plant that will not only feature enhanced functions but will also be deeply rooted in the region and proactively address environmental and social issues, AMB aims to make a greater contribution to society in Malaysia and neighbouring ASEAN and other countries."

Share with your network:

Tags: Ajinomoto Halal Malaysia

Sources: Foodbev Media

Ajinomoto campaign in promoting healthy living

Thursday, 5 December 2019, 6:00 PM

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By NST - December 26, 2019 @ 2:12pm

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KLIA, ALUMPKR: Do you know that 94 per cent of Malaysian teenagers do not consume enough vegetables?

Ajinomoto (Malaysia) Berhad, in line with the Ministry of Health (MOH) is working to promote a balanced diet through "Healthy Plate", especially to encourage adequate intake of vegetables.

To inculcate the habit of consuming more vegetables from young, Ajinomoto (Malaysia) Berhad organised a school project to promote a healthy balanced diet in secondary schools throughout Malaysia. The programme has successfully educated 14,000 secondary school students with 75 sessions in 2018.


Ajinomoto (Malaysia) Berhad extends the initiative through its "Campus, Campus, Stay!" Campaign.



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Delicious Balanced Diet for Healthy Living



The programme had successfully educated 14,000 secondary school students with 75 sessions in 2018. Picture courtesy of Ajinomoto (Malaysia) Berhad.

The concept of smart, delicious & healthy cooking of nutritious mixed vegetables namely "Sajur Campus Berkuan" (SCK) was widely shared through a series of consumer roadshows in shopping malls and residential areas.

Interesting videos on creative cooking of SCK were uploaded on digital platforms for the public to learn and enjoy delicious vegetables in a convenient way.

For further information, visit: www.ajinomoto.com.my



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Ajinomoto Contributes To Sports Nutrition




SPORTS NUTRITION AWARENESS PROJECT 2019/2020

IN COLLABORATION WITH: BUKIT JALIL SPORTS SCHOOL, MINISTRY OF EDUCATION MALAYSIA, AJINOMOTO MALAYSIA BERHAD

KUALA LUMPUR, 25th October 2019 - The Ajinomoto group has contributed continuously to sports nutrition development in Japan since 2005 through Victory Project®. Now, the project has expanded to ASEAN countries including Malaysia. In Malaysia, a project named "Sports Nutrition Awareness Project" was introduced with the collaboration established between the Ministry of Education (MOE), Bukit Jalil Sports School (BJSS) and Ajinomoto (Malaysia) Berhad (AJNB).

The project was soft-launched at BJSS, witnessed by the Deputy Director of Sports, Co-curricular and Arts Division of MOE, Mr. Sekarni San Abdullah, the Principal of BJSS, Mr. Hisham Mahadi, and Managing Director and Chief Executive Officer of AJNB, Ms. Naoko Yamamoto.

The Project aimed to educate and increase awareness among student athletes on the importance of nutrition through sports nutrition education talks, balanced set lunch servings, and information sharing through posters and digital portal. One of the key messages of this project is to educate the student athletes on the objective of healthy eating and to instil balanced dietary habit among student athletes.



In line with Victory Project®, the ultimate goal of "Sports Nutrition Awareness Project" is not only contributing to the well-being of student athletes but also all Malaysians. The Ajinomoto Group is a global manufacturer of high-quality amino acid based products and has contributed to food, health and nutrition through the cutting-edge technology in aminoacids.

With its tremendous success results, Ajinomoto Japan has expanded nutrition supports by sponsoring the global sports events i.e. the 2016 Rio Olympic Games in Brazil, the 2017 SEA Games and the ASEAN Para Games in Malaysia, current SEA Games and the ASEAN Para Games in Philippines as well as the upcoming 2020 Tokyo Olympic Games in Japan.

*Victory Project®: Support activities including guidance on sports nutrition and amino acid conditioning for top athletes at international tournaments.

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