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THE CHANGING OF MUTAIYAS CASH & CARRY SDN. BHD.

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This case was written by Selvan Perumal, Yaty Sulaiman, Maha Mohammed Yusr Othman and Mathivannan A/L Jaganathan, Universiti Utara Malaysia. It is intended to be used as the basis for class discussion rather than to illustrate either effective or ineffective handling of a management situation.

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The Changing Face of Mutaiyas

Mr. Vasu (owner of the Mutaiya Group Companies) realised that his company has gone through many stages since its late Father, Mr. Mutaiya, established it. He felt it was necessary to reinforce the current progress and move forward to make his business a hypermarket business. This was because Mr Vasu thought that customers switching between retailers and online / in- store channels were increasing the amount of choice people enjoy today. Only retailers who were aware of the right know-how and tools could come up with new and innovative ways to keep customers coming back for more. The grocery-based retailers, according to Mr. Vasu, were made up of self-service operations that supplied a full range of household products and struggled to combat new types of competition and demographic change that have been developing for years. Mr Vasu, therefore suggested that improving new elements in the retail operation and mix could be a key to continuing to grow retailers steadily.

Mutaiyas has, in general, faced the above-mentioned situation and restored its structure in order to be relevant and competent in the market. In the early 1945s, Mutaiyas began as a traditional sundry (wood-based) shop and now operates in Sungai Petani as one of the first department stores for household products. Earlier, the company was only selling a few Indian grocery items related to food and sundry goods. The company heavily relied on the demand of local customers and their recommendation of word-of-mouth.

The company only sold a few Indian food items related to food and daily items. The company relied heavily on local customer requests and word-of-mouth recommendations. Now, they have well-stocked household products to cater to the daily need of their target customers. The segment of products can be categorised into general household grocery items (canned food, detergent, dish wash, powder milk, body hair care, curry powder and seasoning), vegetables and fruits (various types of fresh vegetables and fruits), cosmetics (various types of brands includes Avon, Dove, Nivea etc) and jewellery products (semi-precious stones, crystals, silver, individual rings, bracelets, earring, bridal etc), indian festive and daily items (products related to Deepavali, Thaipusam, etc), also have their own brands for selected items (cereal, candy, jelly, canned food and chocolate). Mutaiyas concentrated on local customers at the early stage, but today their target customers have crossed the nation and multiracial.

Company Background

Mutaiya cash and carry is a local retail company in Malaysia. It was established in 1945 by its founder the late R.M. Mutaiya as a small wooden sundry shop in Sungai Petani, Kedah. This business was later developed to the next level by Mr Mutaiya's eldest son Mr Varatharaju Mutaiya. Then, it was taken over by Mr Mutaiyas's second son, Mr Vasu, who is the current Chairman of Mutaiya Sdn Bhd. In the early days, the two brothers, Mr. Varatharaju and Mr. Vasu, who were trained by their late Father, gained experience in sales and business operations. From its humble beginning selling sundry shop, it was in the 1990s it transformed into Mutaiya Trading and then now, emerge significantly as Mutaiya Cash and Carry Mall. Mr. Vasu, 55, who had completed secondary education and began to partake seriously in his late Father's business. Moreover, Mr. Vasu's vision is to make Mutaiyas as a hypermarket. Thus, it started as a small-scale business and became one of the first department stores headquartered in Sungai Petani and heading towards becoming a hypermarket.

Mutaiyas was well known to customers as a store, which selling varieties of grocery goods and products at a reasonable price. Mutaiyas attempted to be the leader as a one-stop center to satisfy

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