

Nippon Paint solidifies position

COATING AND CONSTRUCTION SOLUTIONS

NIPPON PAINT SOLIDIFIES POSITION

Firm aims to raise its market share in B2C and B2B segments, says group managing director

KUALA LUMPUR

NIPPON Paint Malaysia Sdn Bhd is expecting a slow growth for the construction sector this year as labour supply issues are increasing the cost of operations.

The company said this was the impact of the Covid-19 pandemic and global economic uncertainty that continued to affect profitability.

Nippon Paint group managing director Yaw Seng Heng said companies must adapt to the changes and suggested that market players consider all options for a smooth year.

"We must be on our toes and be alert to changes in consumer patterns," he said in a statement yesterday.

In line with that, Nippon Paint has set a target to increase its market share in the business-to-consumer (B2C) and business-to-business (B2B) segments to 46 per cent and 42 per cent, respectively, despite the labour shortage, delayed real estate developments and significant price hikes in raw materials.

"We see opportunities in providing service to people's housing and infrastructure works by the government.

"The focus shifted to service due to the supply chain issues and the expected economic downturn.

"For the B2B market, we aim to widen our footprint by providing refurbishment solutions for residential, industrial and commercial use."

He said regardless of the market outlook, building refurbishment will not be affected, as sinking funds will be collected by the joint management body and management committee for future expenditures, such as large-scale maintenance on a building.

Nippon Paint said according to Kenanga Investment Bank Bhd, the tightening financial conditions, global economic slowdown and rising cost of living may exert pressure sales in the next few months.

Despite the challenges, Nippon Paint continues to fortify its position as the leading brand for coating and construction through its total coating and construction solutions initiative.



Nippon Paint Malaysia Sdn Bhd group managing director Yaw Seng Heng says regardless of the market outlook, the building refurbishment segment will not be affected. (ILA PC)

The Statistics Department reported the value of construction work done in the third quarter of last year surged by 23.2 per cent compared to the same quarter in 2021. The expansion was driven by non-residential building (37.7 per cent), special trades (32.2 per cent), residential buildings (12.8

per cent) and civil engineering (14.6 per cent) sub-sectors.

Nippon Paint is also expanding its product offerings through Selsys in the home improvement category.

It said the do-it-yourself (DIY) home improvement segment is anticipated expand due to in-

creased efforts in homeowner education as well as rising costs of professional work.

"The DIY segment has grown tremendously in line with rising costs and the flexibility and personal satisfaction of fixing and decorating our own home," said Yaw.