



**CASE STUDY: COMPANY ANALYSIS**

**DIANASHAWL**

**PRINCIPLES OF ENTREPRENEURSHIP (ENT530): CASE STUDY**

**FACULTY: FACULTY BUSINESS AND MANAGEMENT**

**PROGRAMME: BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE**

**GROUP: BA242 4C**

**PROJECT TITLE: WRITTEN REPORT ON CASE STUDY**

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## **EXECUTIVE SUMMARY**

DianaShawl Enterprise, located in Malaysia, is a leading retail store scarf brand. DianaShawl is a Malaysian product brand that has attracted the eye of many Malaysians, especially women.

We have provided some information on DianaShawl in this study, including company information, Business Management Canvas (BMC) analysis, findings, and discussion. The company information including the company's background, organization structures, products offered, business and marketing, operational strategy, and financial achievements. Nine BMC elements were used to develop and describe the company analysis. The company's findings include the company's challenges, while the recommendations focus on how the company solves challenges.

### **1.0 INTRODUCTION**

Below shows more information on the case study.

#### **1.1 Background of the study**

Principles of Entrepreneurship (ENT530) is an elective subject studied by all undergraduate students at UiTM. This subject is intended for students to learn about making a business more effective by giving and presenting specific business information.

One of the continuous assignments for students to complete is a written report on a case study, which is worth 20% of all assignments and assessments. Students must conduct an interview with any business or company of their choice to get important input on how the businesses were managed. They have a deeper understanding on the company during the interview session, including how they manage the business, the difficulties business faces, and how to solve them.

#### **1.2 Purpose of the study**

This case study is the process of discovering and collecting information about business that has been interviewed. It will assist students in the learning process on how to properly run a business. DianaShawl has been chosen by our group to assist us with this case study. DianaShawl owner, Mrs. Diana, conducted an interview session with us on May 26th, 2022. Refer to figure 9 in appendices.

## 2.0 COMPANY INFORMATION

Below shows further information on DianaShawl (DS) from the interview with DS Founder, Nor Diana Binti Mohd Nasruddin.

### 2.1 Background



Figure 1: The founder of DianaShawl, Nor Diana binti Mohd Nasruddin

In 2015, Nor Diana Binti Mohd Nasruddin established the brand known as DianaShawl. Mrs. Diana claims that she has always had an interest in business, even back when she was still in high school. The proprietor, who goes by the name "Diana," was the one who came up with the idea of calling the company by that name. Diana's name hints at the excellent qualities she possesses, such as the ability to do what she sets out to do, while the word "shawl" refers to the primary item she sells, which is the headscarf worn by Muslim women. Mrs. Diana would one day go on to start her own business since she is passionate about the fashion industry, enjoys experimenting with different kinds of fabric materials for manufacturing shawls, and has always had an interest in entrepreneurship. As a result, she established her own label.

In 2015, when Mrs. Diana was only 17 years old, she launched her business with an initial investment of RM200 and began selling 20 potential hijabs as her sole product. During the first two years of her company's existence, no product development was made, instead relied entirely on ready-made goods sourced from GM Klang vendors. She never deals with customers face-to-face and does all of her business on the internet such as promoting her products on various social media channels, most notably Instagram. After two years of running her own business, Mrs. Diana has decided to take her company to the next level by registering it under Companies Commission of Malaysia (CCM) to inspire absolute trust in DianaShawl's customers. Despite facing various challenges and obstacles, DianaShawl's managed to survive for 7 years in her business until today due to the full support of her family and an attitude of never giving up. Now, the DianaShawl company is operating in an office building that can be found at Section 16, Shah Alam, Selangor.

## 2.2 Organizational Structure

Only five departments and six full-time employees are employed full-time at DianaShawl company. The five departments seem to be the marketing and sales manager department, graphic design department, operation management department, textile design and content marketing department.

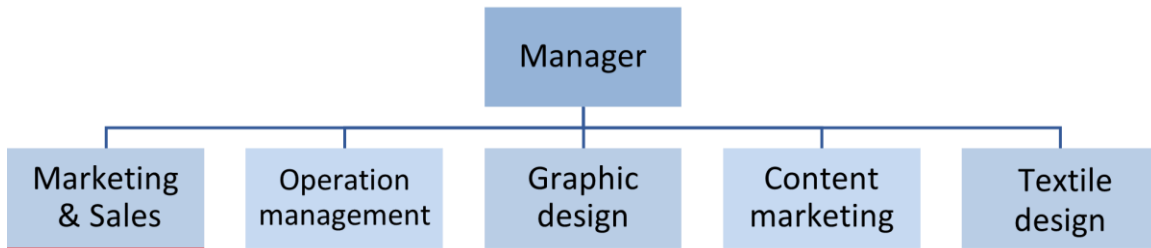


Figure 2: Organizational chart of DianaShawl

## 2.3 Products

DianaShawl (DS) has been in business for 7 years and has offered more than 30 products. In 2015, the first year DS was open for business, it sold 20 cotton shawls. In 2016, DS started selling on Instagram @Dianashawl, a social media platform. From there, they made the Aidra Chiffon Shawl, the Galaxy Edition, and the Deesquare scarf, which was their first bawal product. In the same year, there was also a product called the Lofa Ombree Shawl and Ombree Square Scarf. Later in the year, DS also opened a home boutique several times since she sells things online. Syafiqah Aina, who was famous on Instagram at the time, was the first model that DS hired.

Starting in 2017, DS have its own website, [www.dianashawl.com](http://www.dianashawl.com), to make customers aware of their collection and further establishing themselves as a brand. DS doesn't just make shawls and bawal, they also made a lot of other things such as outfits, or items that can be used as accessories or given as gifts. The first thing that DS put out was the Lila Snow Cap, which is an under-a-scarf that comes in a variety of colors. Also, in 2019 and 2020, DS have made other things besides scarves, like Fluffy flowers and Analgesia under scarves with a rare packaging.

Furthermore, in 2021, DS came up with several collections that women liked. For example, DS releases DS tote bags with a premium and elegant design and also magnetic pins that are easy for women to use on their scarf. Currently, the scarf products that DianaShawl produces are the

Lenora Shawl, Divka Shawl, Glossy Shawl, Avis Shawl, Lacy Cotton Shawl, Lacy Baby Lash Shawl, Vera Shawl, Mula Square Shawl, Jasmin Square Shawl, Gloss Square, Elvie Square, and Zara Square. For Printed Scarf, there are the De Arch and De Lora collections from DS.

DianaShawl's newest scarf, the Diyari Sulam Shawl, is made of chiffon, georgette, and crepe, and it has special embroidery or 'sulam' all along the edges to make it look premium and expensive. They made De Thera collection for the latest Raya DS edition, which is a printed square scarf or 'bawal', made of high-quality cotton rayon and comes with a small pouch. The most interesting thing about DianaShawl is that it has its own casual collection, which was released in May 2022. Dalma, Dalvina, and Delarosa are the three names of this collection. They are made of 100% knitwear and does not need to be ironed. For their loyal customers, this collection also comes with its own designed face mask.

Lastly, DS also sells a few extra products like gift boxes and wish cards for customers who would want to send a collection of DS lids to their loved ones as a gift. Some of the boxes are the DS Hedrye Box Floral Edition, the DS Hard Box Maroon, and the DS Wish Card, which looks expensive and special because of its design.

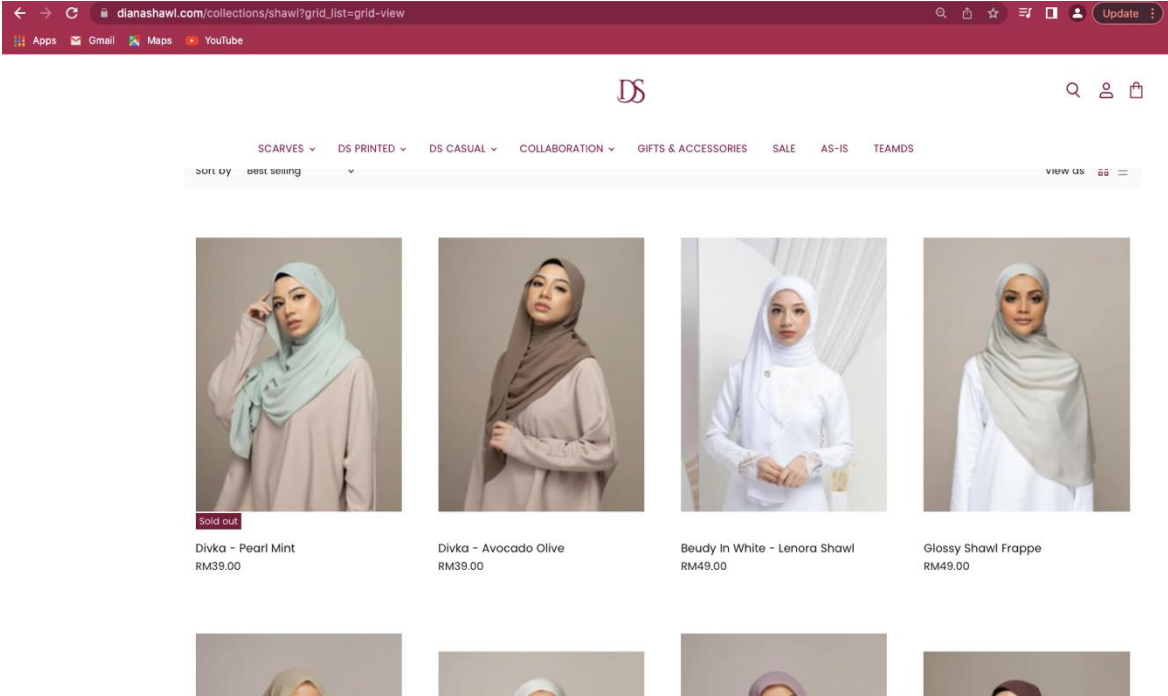


Figure 3: DianaShawl collection displayed on their website

## **2.4 Business and Marketing, Operational Strategy**

DianaShawl has a history of consistently releasing novel material, particularly with regard to the company's advertising. Despite the fact that Mrs. Diana hired a marketing manager to work for her company, she has never delegated her responsibility for coming up with marketing ideas to the marketing manager.

One of the methods that Mrs. Diana used to promote her products was to tune in to live sessions on Instagram or to ask questions of her customers in order to get closer to her customers and to know their needs and desires through the products that were sold by DianaShawl. This was done in order to get more information about her customers. In addition to this, Mrs. Diana markets their brand and products via Instagram advertisements as part of their marketing strategy. Mrs. Diana also mentioned that the process of marketing in modern times is much simpler than it was in the past.

We can also see that Dianashawl uses soft-sell marketing methods in her Instagram account in addition to hard-sell marketing strategies, as seen in her feed. Additionally, Mrs. Diana engages in personal branding to advertise their products by using her name as Kak Dee with end-users of the service. Through their Instagram postings, Dianashawl gave some suggestions for hijabs, tips for outfits, and posts that follows the latest trends while enhancing their hijab products. This was done in addition to sharing their hijab items. In point of fact, Dianashawl will deploy a teaser for every new product that they offer before officially introducing the product to the market. By using this marketing strategy, which is meant to get people excited, customers are left to wonder about a product and eagerly wait for it to arrive.

Then, Mrs. Diana stated that she would have a variety of strategies to launch another collection in the event that the results of the prior collection fell short of their desired hit. One of the advantages that Dianashawl has when it comes to marketing its products and telling clients about the benefits of their scarves is the fact that they use premium fabrics.

When looking at the present trend in society, it can be seen that a large number of people are using entertainment programs on their mobile devices, such as TikTok. Making short videos and clips that capture the attention of potential clients and users of the TikTok application was a chance that Mrs. Diana did not pass up in order to promote DianaShawl. In addition, DianaShawl's marketing efforts include the creation of outstanding product packaging or collections. Tiktok is going to be her go-to resource for everything from hijab tutorials to other activities. The Analgesia



under-scarf, a product with a medical theme that was designed by the company, is one of the items that has gained widespread attention.

In addition, DianaShawl has worked with well-known businesses such as Casesbywf, Lily Petuna, Beudy Cosmetics, and Deereka. Mrs. Diana also takes the opportunity if there is any major company in Malaysia that wants to cooperate with DianaShawl. She uploads photographs of satisfied customers' feedback about DianaShawl on each of her social sites. She does this to promote the DianaShawl brand. After getting too comfortable with creating pictures in the studio, Mrs. Diana decided to push herself beyond her comfort zone by participating in a photoshoot for her hijab in Bukit Botak, Puncak Alam, which was styled by a well-known model. The photograph of the journey has garnered a lot of attention as a result of the fact that the photo shoot is extremely lovely, and the shawl that is styled in the photograph appears to be neat and of good quality.

## **2.5 Financial Achievement**

DianaShawl once achieved a monthly sale of RM 200,000 in terms of her financial success. In addition to this, DS has set a target for their business, which on every month an aim of 3000 units of hijab products will be sold, and the total sale will be around RM 100,000 each month. Every month, Dianashawl was able to achieve more than any of its goals. Mrs. Diana has done many things to make sure that every sales goal, unit produced, and other goals are met.

Mrs. Diana opened a drop ship slot so others can be part of the DianaShawl company. There are now 200 drop shippers for Dianashawl, and this is one of the ways for the company to keep making sales and profit. Each drop ship will also get a commission based on how many items they sell. At the same time, it helps other people earn money for themselves.

Dianashawl also has a good plan for making money and products. If a scarf for sale has any kind of problem or damage, no matter how big or small, it will sell for 50% less than its original price. Even though it is defective, it still looks good. So, it can control how much it will lose and how many scarves it will have left over that won't sell.

Lastly, Dianashawl has a number of interesting sales to attract customers. These includes the MerdekaSale, which went on the road last August and let people buy 3 scarves from certain items for RM90, the KakDee's Birthday sales, and the 6.6 promotion. With the variety of sales, it will be good for Dianashawl's finances and lead to a rise in the production and sales of DS hijab products.

### 3.0 COMPANY ANALYSIS

From the findings through an interview, DS is visually analysed using a business model canvas which consists of 9 important elements to overview the business from different perspectives. Below shows DianaShawl's Business Model Canvas (BMC).

DIANASHAWL'S BUSINESS MODEL CANVAS				
<b>KEY PARTNERS</b> <ul style="list-style-type: none"> <li>Local &amp; International Suppliers                             <ul style="list-style-type: none"> <li>Negeri Sembilan, Malaysia</li> <li>Indonesia</li> <li>China</li> </ul> </li> <li>Instagram's Influencer                             <ul style="list-style-type: none"> <li>Siti Sarah</li> </ul> </li> <li>Courier Partners                             <ul style="list-style-type: none"> <li>J&amp;T Express</li> <li>PosLaju</li> </ul> </li> </ul>	<b>KEY ACTIVITIES</b> <ul style="list-style-type: none"> <li>Manufacturing                             <ul style="list-style-type: none"> <li>Packaging</li> <li>Labelling</li> <li>Selling</li> </ul> </li> <li>Online marketing</li> <li>Customer Services</li> </ul>	<b>VALUE PROPOSITION</b> <ul style="list-style-type: none"> <li>Premium fabric quality of the shawls or scarves</li> <li>Premium stylish and modest shawls or scarves</li> </ul>	<b>CUSTOMER RELATIONSHIP</b> <ul style="list-style-type: none"> <li>Build through online using Instagram and website</li> </ul>	<b>CUSTOMER SEGMENTS</b> <ul style="list-style-type: none"> <li>Middle-class income women</li> <li>Women aged 18 to 26</li> <li>Working people or career women</li> </ul>
	<b>KEY RESOURCES</b> <ul style="list-style-type: none"> <li>Suppliers                             <ul style="list-style-type: none"> <li>Local &amp; International</li> </ul> </li> <li>Human Workforce</li> <li>Machine                             <ul style="list-style-type: none"> <li>Fabric Printer</li> </ul> </li> </ul>		<b>CHANNELS</b> <ul style="list-style-type: none"> <li>Instagram (@dianashawl)</li> <li>Website (dianashawl.com)</li> <li>WhatsApp contact number is included for customer inquiries</li> </ul>	
<b>COST STRUCTURE</b> <ul style="list-style-type: none"> <li>Fixed cost                             <ul style="list-style-type: none"> <li>Machine (Printer)</li> <li>Office rental</li> <li>Employee Salaries</li> </ul> </li> <li>Variable Cost                             <ul style="list-style-type: none"> <li>Marketing and Advertising</li> <li>Utilities</li> <li>Raw materials</li> <li>Research &amp; Development (R&amp;D)</li> </ul> </li> </ul>			<b>REVENUE STREAM(S)</b> <ul style="list-style-type: none"> <li>Product/Asset sales (sale of physical product; shawls and other products such as clothing, gift, and accessories)</li> <li>Sales as dropshipping supplier</li> </ul>	

Figure 4: DianaShawl's Business Model Canvas (BMC)

### **3.1 Key Partner**

Key partners for DianaShawl comprises of local and international suppliers, Instagram's influencers, and courier partners.

#### **3.1.1 Local and International Suppliers**

As DianaShawl (DS) manufactures its scarfs, it is crucial for DS to always maintain the quality of the scarfs by having various resources that make DS different from its competitors. Hence, DS has chosen the local fabric supplier from Negeri Sembilan and international fabric suppliers from Indonesia and China because both countries are the top 10 largest textile producers worldwide. These resources represent that DS prioritizes the quality of the products, their distributions, and their brand name as these foreign countries produce a dazzling variety of fabrics, materials, textures, colour, and motifs that DS can choose to preserve its uniqueness from other scarf companies. By partnering up with foreign suppliers, it demonstrates a strong relationship between DS and the international market.

#### **3.1.2 Instagram's Influencer**

There are many options to use as a channel for marketing. DS has chosen Siti Sarah (Instagram username: @st. srh), with loyal followers and a substantial Instagram presence. In other words, DS is participating in influencer-based marketing. For DS, when an influencer reviews or recommends their products through the social media platform, the products seem to be worthier than the traditional advertising. DS is an e-commerce business, so they need to receive recognition throughout the social media platform. Siti Sarah has been chosen to become their main icon featuring DianaShawl to align with the target market: middle-class women aged 18 until 26. Not only the great presence she has on Instagram, but also its tanned skin has opened customers' eyes to be confident to wear any colours or patterns of the scarfs in any skin colour.

#### **3.1.3 Courier Partners**

The reliable courier partner also helps DS to set itself apart from competitors. J&T Express and PosLaju are DS courier partners that help its company with the express and on-time delivery to the customers. Any items ordered online will go through these couriers. Both couriers only took 1-3 days to deliver to the customer's door.

## **3.2 Key Activities**

Key activities in DS include manufacturing, online marketing, and customer services.

### **3.2.1 Manufacturing**

DS manufacturing involves designing, packaging, labelling, and selling. Located at Shah Alam Selangor, DS produces its scarfs, primarily chiffon shawls with many design options. In producing the scarfs, DS continuously improved or developed new features in packaging, particularly DS Hediye Box Floral Edition and DS Hard Box Maroon for the gift packaging purpose. With that, customers also may request a DS wish card. Then, every shawl design has DS premium metal tag labelling in gold colour for its authenticity and added value to DS products. The label will be attached to each DS after testing the fabric's originality and the thread's fineness. With the excellent quality and authenticity, DS targeted sales are over RM100,000.00 monthly including the drop shipping to maintain its sustainability and profitability

### **3.2.2 Online Marketing**

According to Mrs. Diana, DS founder, the main activity in her business is solely dependent on social media as it is an e-commerce business. Other than using influencer as a marketing tool, DS also uses social media, primarily Instagram, to promote DS products as it is zero cost marketing. On Instagram, DS attracts its customers by using reels, story and live streaming functions on Instagram. DS gained great customer engagement by creating an Instagram reels content plan, whether soft sell or hard sell. DS utilizes Instagram essentially for promotion, shawl tutorials, new products launching, promoting the products in stock and most importantly, a feedback post from its online customers. DS believed with these methods, the business could be viral where DS could gain brand recognition as Instagram is able to reach customers clearly with the photo posting or reels posting. Nowadays, DS started to use another platform to introduce its products, TikTok, the most recent powerful platform to gain brand awareness and grow a new audience or potential customers.

Other than that, DS has its website to provide customers with a better shopping experience. Through a website, DS increases its loyal customers by staying in touch using a newsletter when the customers have signed up and subscribed using email. With that, the loyal customers will be the first to know about the release of their new products and pre-orders.

### **3.2.3 Customer Service**

On DS's user-friendly website and also on its Instagram, DS provides customer reviews or feedback essentially to convince new potential customers to buy its products. In the comment section on Instagram, DS has given space or place for customers to communicate or ask for product assistance. The DS team has provided its customers with an immediate response to keep them in touch. Thus, it will assist customers in making purchasing decisions, and DS will be able to prove its credibility. To conclude, the feedback received may not only assist DS in understanding customers' wants but also in gaining customer trust.

### **3.3 Key Resources**

Key resources for DS would include suppliers from local and international, a human workforce, and a machine (fabric printer).

#### **3.3.1 Suppliers**

Due to the excellent qualities and various fabric options in Indonesia and China, DS is selective in choosing the fabrics. DS ensures great quality materials over the quantity to produce premium quality shawls or scarves to satisfy its customers. As a result, DS offers its customers ten designs of shawls and other styles of scarves, such as square scarves. As a contingency plan, DS also has a local supplier from Negeri Sembilan to minimize the stock insufficiency problem. By having both local and international suppliers, DS has added its business value of propositions.

#### **3.3.2 Human Workforce**

Every successful small business requires a human workforce. DS consists of only five departments with a small number of full-time employees. The division includes a manager, marketing and sales, operation management, graphic design, content marketing and textile design. Each department has different roles in DS.

As for marketing and sales, the employee in charge will set strategic planning for product promotions. This division is also responsible for deciding the product's price, overseeing customers' feedback on DS to ensure customers are happy and satisfied. They also make special offers or giveaways during special occasions to attract more loyal customers.

In the operation management division, the employee will monitor the inventories, the materials stock from the suppliers, and deliveries. The graphic design division will create and upgrade contents and designs on the website, promotional posts, and product pictures. Content marketing

will work together with graphic design to monitor and manage social media and generate ideas for the hard sell and soft sell posting on Instagram, particularly in the form of 'reels' or 'stories'.

According to Mrs. Diana, a textile design team or textile designer is needed in DS as they are now producing printed shawl and square scarves using their machine. Thus, various patterns of shawls and square scarves require an idea of an expert designer. With that, customers now have many stylish options from the DS collections. Along with premium quality shawl produce, DS ensures a great human workforce or team to guarantee a smooth day-to-day work, productive environment where all employees are valued and motivated and give their best work working in DS.

### **3.3.3 Machine (Fabric Printer)**

As stated above, DS has produced the printed shawls and square scarves in their collections: 'De Arch', 'De Lorea', 'De Thera'. These printed scarves require DS to use fabric printing to make them 'printed' scarves. From a plain shawl or square scarf colour, DS chose the chosen pattern created by the textile designer and the operation management employee will print the design on the shawl. It is easier to have this printer as it can be printed directly on the shawl or scarf's fabric.

## **3.4 Value Proposition**

### **3.4.1 Premium Fabric Quality**

At DS, they prioritise only the best premium fabric quality in every shawl they designed to represent their brand's values. From local and international suppliers, DS has chosen various materials of fabric for shawls, such as premium Arabic chiffon, premium chiffon Georgette, soft matte satin, soft texture chiffon, and chiffon Georgette crepe, premium cotton voile, Japanese cotton and chiffon Georgette crepe. While for square scarves, DS chose premium chiffon cotton and pure cotton. As for printed shawls and square scarves, DS uses premium cotton rayon to produce them. All of the collection for shawls or scarves made have a different use of the fabrics as stated above. It is proven that every chosen materials or fabric features durability and flowlines and are almost opaque when customers wear DS.

### **3.4.2 Premium Stylish and Modest Shawls or Scarves**

Adorned with an exclusive 'DS' gold metal tag, made from the premium fabric quality, DS offers ten collections of shawls design which are 'Lenora', 'Divka', 'Glossy', 'Avis', 'Lacy Cotton', 'Lacy Babylash', 'Vera', 'Mulan Square Shawl', 'Jasmin Square Shawl' and 'Diyari'. All these designs come with 'Bay Hem' finishing thread except for 'Diyari' as it comes with baby hem finishing but

with an end curve pattern giving it a classy and elegant finish. 'Diyari' collection is hotly listed now as the designs nowadays are trending for younger people to look classy and vintage.

For 'Lenora', 'Divka', 'Glossy', and 'Avis' are made from chiffon and believed to be falls and drapes elegantly when customers wear them. These collections and others are suitable for daily wears or to work. Every collection comes with a ziplock packaging, and the exclusive collections, which range from RM59 above, will either come with a mini pouch bag or a deluxe hard box from DS. DS's exclusive collections are 'Jasmin Square Shawl', 'Mulan Square Shawl' and 'Diyari'. DS exclusive collections are commonly worn to dinner or any special events.

DS not only comes with many options of stylish and modest shawls but also comes with various colours that suit Malaysian skin tones. Aligned with the tagline 'made for dainty girls', all the designs aim to empower all young women to gain confidence, be beautiful and more successful whenever the customers wear their shawls or scarves. Figure 5 below shows the DS collection mentioned just now.



Lenora



Divka



Glossy



Avis



Vera



Mulan Square Shawl



Jasmin Square Shawl



Diyari

Figure 5: Collections of DianaShawl



### **3.5 Customer Relationship**

To earn brand loyalty with the target market or customers, DS brilliantly uses social media, particularly Instagram, to market its product as DS is conducted online. Mrs. Diana decided to introduce herself as *Kak Dee* to engage more with customers as if they were friends and gain more supportive followers for DS's business. As DS is aware, Instagram is a powerful tool to build and engage a relationship with customers as it offers numerous advantages to DS. In DS, they use reel content or stories where DS can raise awareness from the new customers. From the reels or stories on Instagram, it encourages direct messages from customers or new customers.

On DS Instagram, customers can comment or give DS recommendations to improve their performance or product quality. DS believes that the numerous comments in its posting are a good sign of its quality. When there are many comments, it's more likely to appear higher in a follower's feed. With that, DS simply can develop meaningful interactions with its customers. DS would promptly respond to the comments and direct messages from the customers regarding the products.

Live Broadcast through Instagram Live is one of the marketing strategies for DS. DS utilizes this live feature to boost more engagement with the customers. By doing live, DS said it would show to the people behind the scenes of the business, virtual launching of new products, live Questions & Answers (Q&A) with customers and a live shawl tutorial that most likely needed for the buyers. With live broadcast, DS connects with all its followers or new customers. DS also uses an online market system on Instagram that could link to DS official website. Through the website, existing and new customers can get advance offers and a newsletter every time the latest product is released.

### **3.6 Customer Segment**

Customer segments are relating to the groups of customers that the business is providing the product and service for. Identifying customer segments are important in determining other business decisions such as a better and effective pricing and marketing target strategy. Such segments are from factors are like geographic, demographic, psychographic, and behavioral. We will look at the customer segmentation in the study of DianaShawl (DS).

#### **3.6.1 Demographic Segmentation**

Dividing the customers into different demographic segments are done by DS to further specify the group of people who will use their product. DS is currently targeting their product to working or middle-class income Muslim woman from ages of 18 to 26 years old. The customer segment is suitable to their product as head covering worn by Muslim woman is obligatory to them in the religion of Islam, thus making them the target market of the shawl product. DS also targets their customer to working and middle-class income earners because the pricing of their product is in the range of RM40-RM100 which is not too high or low, suitable to the particular income group. Lastly, the target age of 18 to 26 years old is decided as it fits the brand image and value of 'dainty girls' as beautiful and cute looking young career woman.

#### **3.6.2 Geographic Segmentation**

DS also uses geographic segmentation in determining their customers. A geographic segmentation divides the location of DS's target market. They observe where most of the product users will be and the region where they live. DS are currently targeting locally in Malaysia. This is because Malaysia is a Muslim majority country with almost 60% of the population being Muslims and it aligns with the product that DS offers. Other than that, Malaysia also has an established market for Muslim fashion especially the hijab industry and this shows that there are demand for hijab related products from Malaysian Muslim woman. DS shawl products also suit the distinctive styling of the Malaysian woman hijab fashion. At present they are selling their products nationwide with attention to urban areas. However, in the future they may expand their reach to other neighboring countries.

### **3.6.3 Psychographic Segmentation**

Psychographic factors such as social class, identity, belief, and values are also included in DS customer segmentation. DS main products which are shawls and one-piece outfits are heavily influenced by the Islam religion. Islam has an obligation for Muslim woman to cover up their 'aurat' when going to the public and heavily highlights modesty in dressing. Therefore, they target customers who shares the same beliefs, standing on the same Islamic values and identity. Other than that, DS also take into account the type of styling of hijab as a determinant in customer segmentation. They are targeting to customers who follows the same type of local Malaysian fashion cultures and development. This is because the brand infuses the local and distinctive Malaysian hijab style into their products and is sure to be more relatable to the Malaysian Market that shares the same development in fashion trends.

### **3.7 Channels**

Channels is needed in order to communicate about a business's product or service to its consumers. It is an important medium to disseminate information regarding what the business is offering to its customers and other related information about the offered product. Channels also influences the customer's purchasing experience from the early stage such as in the awareness of the product, consideration of buying the product and to lastly making the purchasing decision and after sales services. In the case of Diana Shawl, the business is operating 100% as an online business. Therefore, all information related to marketing, distribution or after sales services is disseminated through online means. DS uses both a direct channel and indirect channel in its operations.

#### **3.7.1 Direct Channel**

Studying their customer's demographic makes it possible for DS to target several social medias to promote their product and increase their brand awareness as a direct channel. This is such as using TikTok, Instagram, Twitter and Facebook social media platforms. The use of social media as a main channel is decided as their demographic is targeted towards the young generation that are inclined to consume technology in their daily life. Among the social media, DS emphasizes the use of TikTok and Instagram as it is more popular among the young and fashion enthusiasts that in turn will generate higher percentage of attention towards their products. In addition, social media costs less to use and maintain.

The social media is integrated with customer routines as there are displays of their product pictures and videos of hijab tutorials, maximizing the use of social media experience while blending with the business operation. These products will appear in the customer's personal Instagram page as a type of direct and indirect advertisement and influences them to buy. DS have also set up their own website under the domain name dianashawl.com that presents all the available products in a clean and tidy look arrangement. All the platforms that were used by DS are interconnected with their other platforms and includes WhatsApp information for the ease of their customer's journey in their purchase. Figure 6 shows DianaShawl's social media for Facebook, Twitter, Instagram and TikTok.

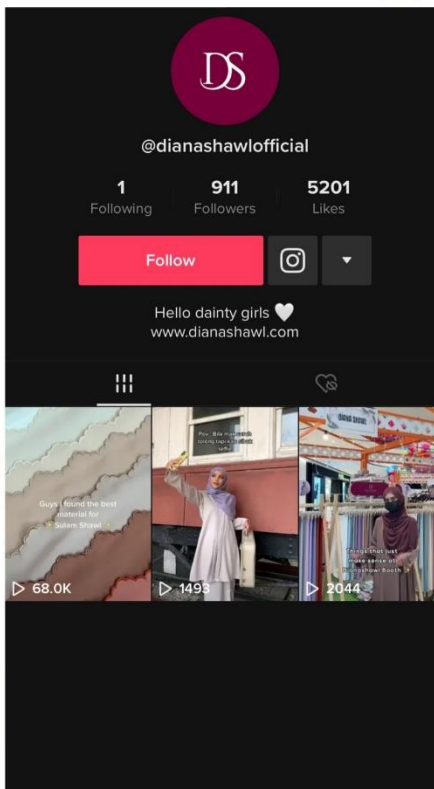
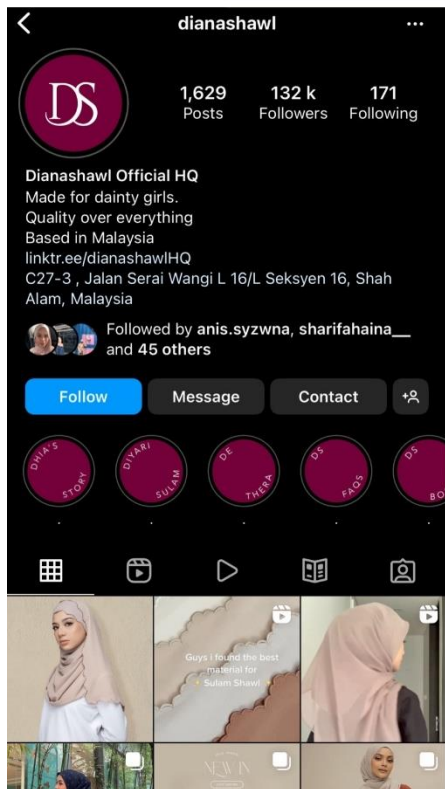
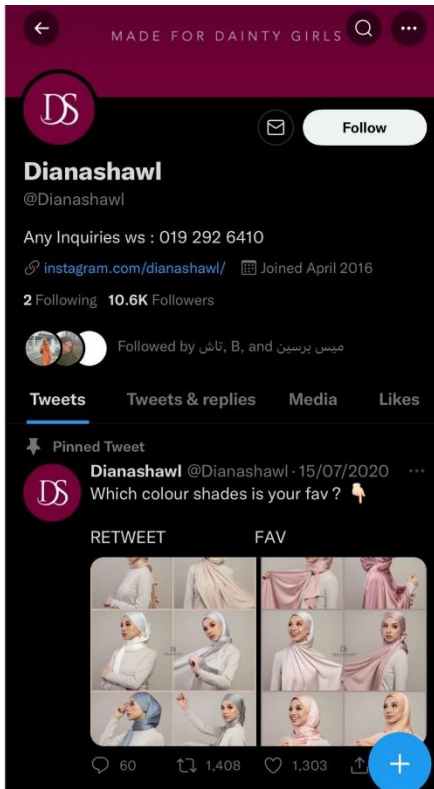
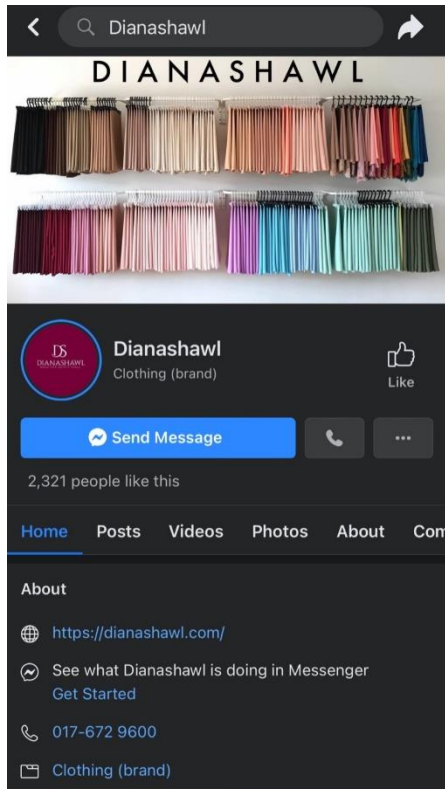


Figure 6: DianaShawl's social medias

### 3.7.2 Indirect Channel

As for indirect channel, DS establishes the channel through the use of dropship agents. Agents are a way to provide a wider reach to target consumers with its broad network. The agent of DS will help the business in increasing the brand awareness because each agent plays a role to spread information to the people in their circle. This move causes more information about DS to be more spread out and expanding their reach to promote the product to existing or new customers. The use of agent also requires less distribution costs as the agents themselves bear the costs to market the product. To this date, DS has about 200 active and certified dropship agents.

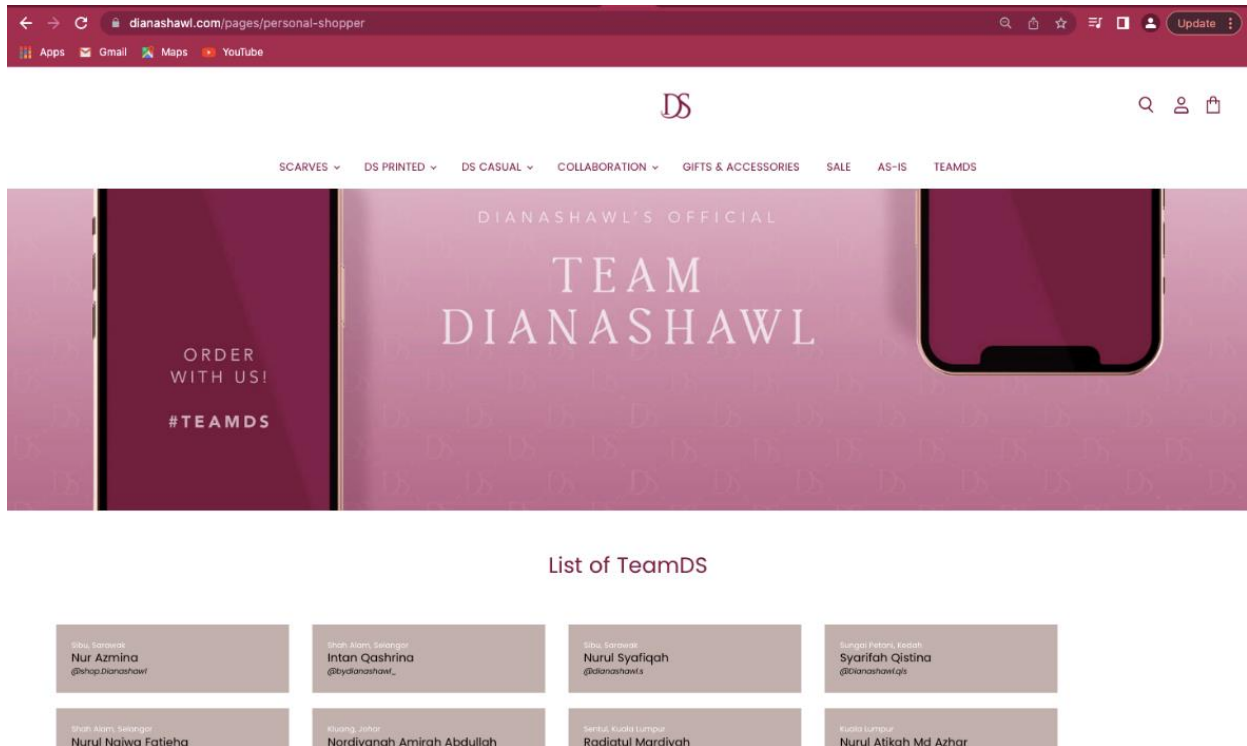


Figure 7: DianaShawl's official website

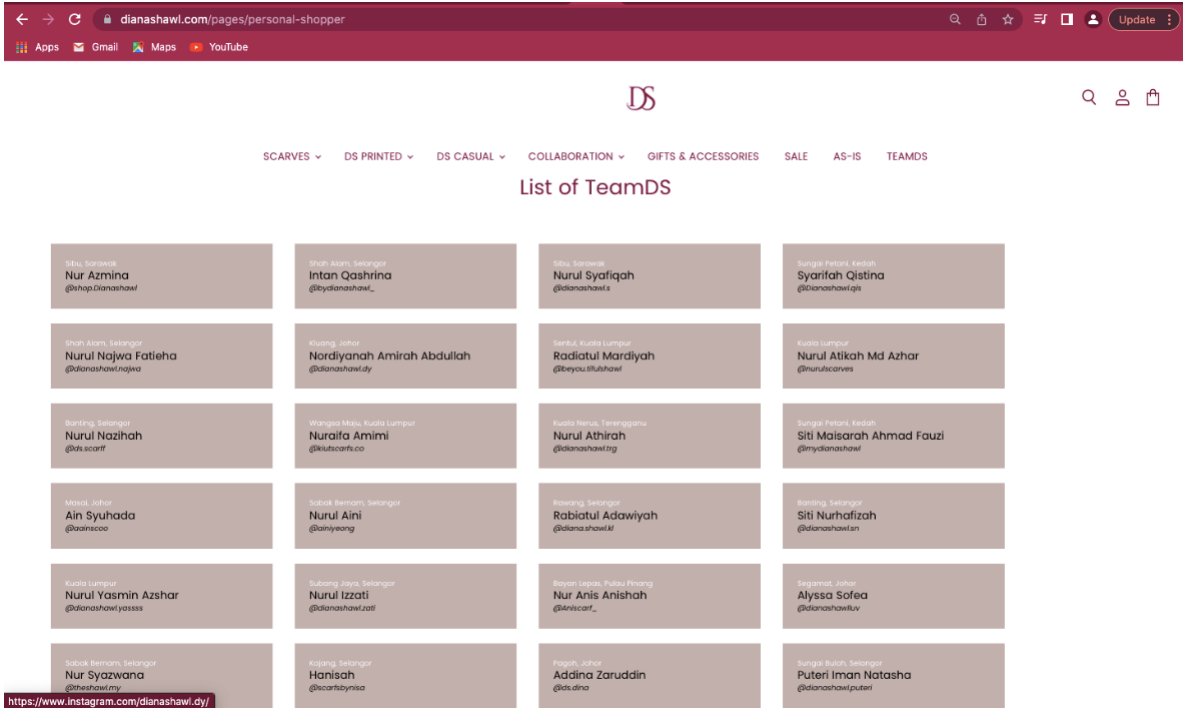


Figure 8: DianaShawl certified dropship agents list

### **3.8 Cost Structure**

The cost structure is the amount of funds needed for an operation of a business. Knowing the cost structure is important to make future forecasting of the business expenses so that the right financial decisions can be made accordingly. Cost structure is divided into two which are fixed costs and variable costs.

#### **3.8.1 Fixed Costs**

Fixed costs are costs which are constant and not varied according to the output level or other outside factors. In DS, the main fixed cost is firstly the cost of textile printing machine. The business has its own textile printing machine which need the constant costs of servicing and maintaining. Next, is the administration costs such as employee salaries, utilities and rent. DS are currently employing 6 staffs under the managerial, operations, graphic design, administration, and textile designer positions respectively. Lastly is office rent. DS headquarters which is located in Shah Alam is rented by DS and therefore monthly rental payment must be made.

#### **3.8.2 Variable Costs**

The variable costs incurred by DS in their operation is firstly, the marketing costs. DS operates 100% of their business through online platforms. Thus, the marketing expenses needed for their operations is by online advertising. This is such as paid advertisement through the Instagram platform that varies depending on situation and need. For example, DS will use this function to boosts their sale whenever they observe that sale is lower than usual. The marketing costs also includes the payment of models in representing the brand's face and also paid product reviews. Other than that, production costs such as sourcing materials for products, manufacturing and packaging costs are also part of the variable costs and is the most expensive. These costs vary according to different promotions or new product releases. More costs will be needed as it is nearing to these events date. Lastly, is the research and development (R&D) costs. This cost includes the thorough study on picking the right materials and coming up with fresh new designs in bringing value to DS products.



### **3.9 Revenue Stream**

Revenue streams are the ways that businesses use to generate profit. There are many types of revenue streams however, DS generates profit through assets sales or product sales. This type of revenue stream is very common as it only revolves around the sale of a physical product from the business to the customer. DS receives profit from their product sales of mainly shawls and other products such as clothing, gifts, and accessories. DS product sales is made in two ways which are through direct selling and sales as drop shipper supplier.

#### **3.9.1 Direct Selling**

DS practices direct selling which is selling their product directly to their customers without any third party. This is as they are generating profit through online sales from selling products through DS website and social media accounts. Through the use of online platform, the connection of the business and the customers have become personalized to passes as one-to-one interaction with customers. It builds a strong sense of community and strengthens the relationship of customers and DS as a brand. This is because the types of posts or sharing on the platform is seen to be personal and intimate. For example, Diana, the owner of DS herself has stated that referring to herself as *Kak Dee* helped in gaining more interest from buyers or those who visited DS social media account.

#### **3.9.2 Drop shipper Supplier**

A drop ship system is well established in the operation of DS. Many agents are requited under the company to further expand the product sales. These certified drop shipper agents will take orders from the customers and relay those orders to the headquarters. The headquarters in turn will process this purchase and ships them to the buyer. From this system, DS are able to increase their sales even more by the wider engagement at a lower cost and at the same time adding another method of revenue stream to their business operation.

## **4.0 FINDINGS AND RECOMMENDATIONS**

According to the interview with the DS founder, these are findings and the discussion that we have found.

### **4.1 Findings**

#### **4.1.1 Problem to deal with employees**

DianaShawl's (DS) company decided to continue its business as usual even though the scenario during the pandemic caused many businesses to shut down, ignoring the fact that it was incredibly challenging. Everything is dependent on the approach that is used in order to solve this problem. It is quite difficult to face the pandemic because businesses are suspected of staff shortages due to the Movement Control Order (MCO) and COVID-19 virus infection threatening almost half of their staff, and the company acted to get backups from all staff to help business operations, including making sales, for the purpose of maintaining business continuity. Because they have a total of only six employees working full time, this is the challenge that DS is up against.

Starting from the pandemic, the majority of workers are able to continue their jobs from home, which allows them to remain overconnected. As a consequence of how easy it is to get overconnected, people will overwork themselves. Moreover, since there are a total of just six people working in the small department, the burden of responsibility and work will fall more heavily on each person. It implies that they might be sending messages during non-business hours since employees rely on each person in the department and the work-from-home schedule offers them the freedom to do so. Working much over usual business hours can cause burnout, which may result in people performing less effectively. This might eventually have a negative impact on DS, and it will also have a bad impact on the engagement of their employees.

Next, because manufacturing requires unskilled professional workers to handle the machine and equipment, the risk can occur if the workers have a low level of comprehension due to the education background, which can result in a lack of awareness in risk mitigation. This lack of understanding can lead to an accident. In addition to that, it encompasses a scarcity of both employees and resources in the process of implementing risk identification methodologies (Dauda 2021). The production process will be less effective if DSI hires part-time employees who have a lack of knowledge and are not well trained on the company's products or equipment.

#### **4.1.2 Problem to maintain sales**

Another challenge that DS must overcome is maintaining their sales at a consistent level while preserving their source flexibility. The term "sourcing flexibility" refers to a company's supply chain's ability to adapt to changes, readjust or reinvent the chain in response to market uncertainty and changing customer demands, send and receive products quickly and efficiently, and design information systems with existing supply chain units to meet changing information requirements (Borhanazad & Tran, 2022).

Also, purchasing power is another factor that might affect supply and demand. When there is a more demand than their supply, this can result in a shortage of supply, however when there is a more supply than their demand, this can result in an overload of inventory. Therefore, it was the greatest priority for the company to have a solid understanding of the demographic and behavioral characteristics of their consumers. This is because the company has to fulfil the requirements of the customers while simultaneously lowering the potential for demand risk. As a result, according to the interview with Mrs. Diana, the firm is experiencing unforeseen or very volatile customer demand in comparison to the supply of the product.

Even though the company is able to maintain control over its supply chain and inventory levels because the products can be shipped directly to the agent, the company is still having trouble keeping up with its competitors in terms of competitiveness because the number of those competitors keeps growing from year to year. It will result in DS to lose their potential customers, and there is also the possibility that some of the DS workers or agents will switch their interest to other companies.

## 4.2 Recommendations

If employees at a company are able to communicate effectively with one another, the company will be able to produce high-quality goods, which will enable it to fulfil the obligations imposed by satisfying the expectations of its consumers. The Cambridge Dictionary describes communication as "the process whereby information, including the expression of emotion, is passed from one party to another in order to bring about an understanding between them" (Cambridge Dictionary, 2022). As a result, we are in a position to recommend that DianaShawl implement transparent business practices in order to facilitate the identification of risks and to improve their capacity for effective communication in order to negotiate with third parties such as their customers, agents, and suppliers. The use of these methods and approaches has enabled DianaShawl's to reduce the possibility of adverse outcomes.

Additionally, DS needs to flow both ways in order to benefit their business. Employee feedback should be gathered through ways such as providing surveys that reflect how their employees are doing at the moment. The only way to learn how employees are performing in light of their circumstances and what a company can do to help them is to provide regular feedback. This knowledge can help in avoiding employees from losing their motivation to work hard. Feedback also provides information on how management is performing. Companies may be unaware that something they're doing isn't working unless their workers tell them. The only way to improve a company's operations is to act on that feedback and alter practices moving ahead. However, if managers do not follow up on these surveys with action, these strategies will be disadvantageous. Employees will feel their suggestions aren't being taken seriously (Sabrina,2015).

Other than that, the involvement of customers in product selections is something DS should improve. Including customers in product decision-making may seem minor and unimportant. However, if we try to consider it, we can see that this is highly crucial and helpful for business. The reason behind this is because involving DS consumers will result in various advancements and increased functionality. A corporation can achieve and meet the unique needs of its customers while also addressing their concerns to a greater level (Sven A. Haugland, 2011). For example, Ds can approach a couple of their customers to conduct a survey to see what style of shawl they prefer. As a result, they can improve and evolve in response to customer demand.

Another suggestion for DS is to try collaborating with their competitor. It is an ideal situation for them to work with their competitors such as Ariani, Naelofar, and Duck scarves. According to studies, collaborating with competitors or industry experts allows them to obtain valuable market data, establish widespread awareness, and find new customers (Ard Pieter de Man, 2005). Consider this situation when Ariani has been in this market for more than a decade, so they already have loyal customers, and DS can take the opportunity to shine by performing product collaboration with them. However, if companies participate in too much collaboration, they potentially create tensions with their competitors, such as conflict and power imbalances, since they are unable to distinguish between the conflicting forces of cooperativeness and competition.

DianaShawl's product differentiation approach should also be prioritised. Product differentiation is a marketing strategy that distinguishes one product from another in order to attract more customers (Pahwa, 2021). Because there are so many competitors who sell the same product, most consumers may not be able to discern their product from others. We suggest DianaShawl's for a product differentiation strategy in developing a unique hijab style that will help consumers distinguish DS products with other competitor products while also engaging customers. Aside from that, DS may create a variety of accessories, such as face masks, sunglasses, and bracelets, to complement their main product. These strategies not only attract buyers to DS products, but they can also serve as a backup to keep company sales going if demand for their hijab product drops. However, following a product differentiation strategy requires spending a significant amount of time, resources, and energy to create a product that differentiates from the competitors. This might place a burden on manufacturers and research teams.

## **5.0 CONCLUSION**

In conclusion, DianaShawl Enterprise has the potential to become one of the most successful Malaysian hijab businesses in the future. According to the business canvas concept, the company will expand their goal and realize their mission and vision. DianaShawl will be able to sustain their performance in the future and overcome any challenges by finding a solution, particularly during the COVID-19 pandemic. They also have the potential to be a competitive brand on a global scale. DianaShawl should always enhance their business in terms of segmentation, marketing techniques, and service in order to sell what the customer wants. We also believe that no matter what they wear, everyone deserves to be elegant and confident.

Furthermore, their management has been analyzed in detail to see that the company's market, potential customer base, and ability to increase its sales average can be done to a higher value. This business should be able to maintain operational success for many years. We truly hope that DianaShawl will continue on their path and make a great move to expand their business around the world in the future.

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## APPENDICES



Figure 9: Interview session with the founder of DianaShawl, Mrs. Diana on May 26<sup>th</sup> 2022



**10 Compulsory Questions**

**Business Name** : DianaShawl \_\_\_\_\_  
**Location** : Online platform \_\_\_\_\_  
**Contact Person & No phone/email** : Diana Nasruddin (dianasruddin97@gmail.com) \_\_\_\_\_

Questions	Entrepreneur answer	Reason (if any)
1. When does your business start? Do you register with SSM?	I started my business in 2015. Yes, my business register with SSM.	
2. At what time you start opening your stall/ opening hours?	Our office is open from 8.30 a.m. to 5.30 p.m. and Monday to Friday.	
3. Source of <b>capital</b> to start the business (loan, borrow, saving)	Basically, in the first-place use parents' money with a capital of RM200.	
4. How do you maintain relationships with customers?	When I write something in caption, I refer to myself as kak dee, as if we are a buddy.	
5. How did you come up with the name of your business? (Idea/inspiration/reasons)	DianaShawl is a combination of my own name and shawl, as I began by selling cotton shawls at the time.	
6. How do you promote or advertise your product/ services? (Social media, word of mouth, banner, pamphlet)	I use social media to promote products by using live Instagram, reels and it's called as zero cost marketing.	
7. What is the uniqueness of your product/ services?	Our packaging is elegant but affordable, and we also have unique images of models and products.	
8. Who is your customers? (Target market)	Women in aged 18 until 29 from the middle class.	
9. How the business performance before& after COVID-19? (Suffer loss/not)	DianaShawl sales are still consistent, so there are no differences between before and after Covid-19.	
10. What is your average profits (daily/ monthly)	DianaShawl usually sells for RM100,000 or more monthly.	

Figure 10: 10 compulsory questions and answers from the founder of DianaShawl, Mrs. Diana