

SECAI MARCHE Inc.

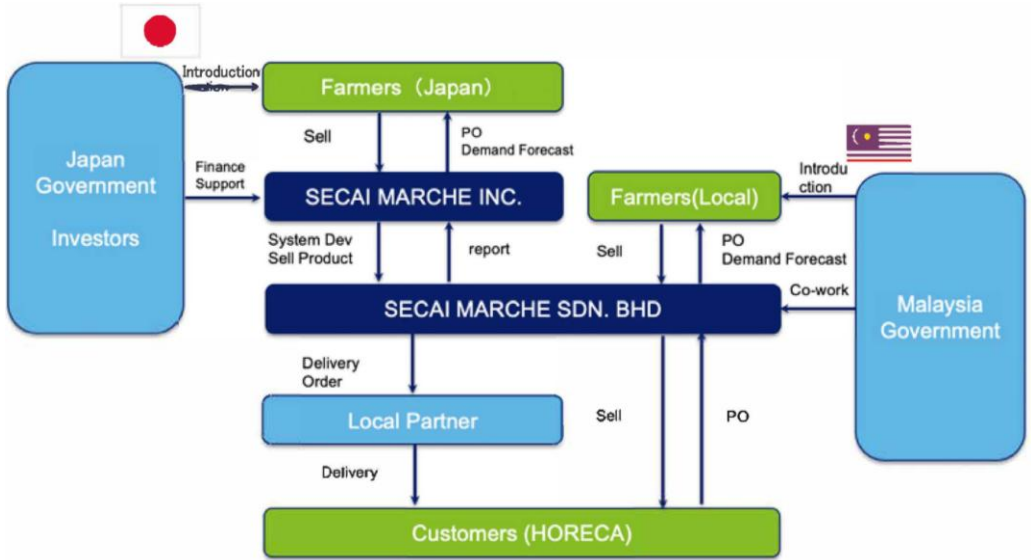
Demonstration on revitalizing the fresh farm direct supply chain by leveraging a single e-commerce platform



Objective of the project

The e-commerce market in SE Asia is projected to reach USD 172 billion by 2025, with Malaysia in particular showing a high e-commerce growth rate in the region, second only to Singapore. This project aims to promote fresh food e-commerce through the use of digital technologies and to establish a transportation network equipped with refrigerated fulfillment functions. Through these efforts, we seek to create and expand a new e-commerce market for fresh food.

Cooperation with local companies/governments



Targeted economic/social issues

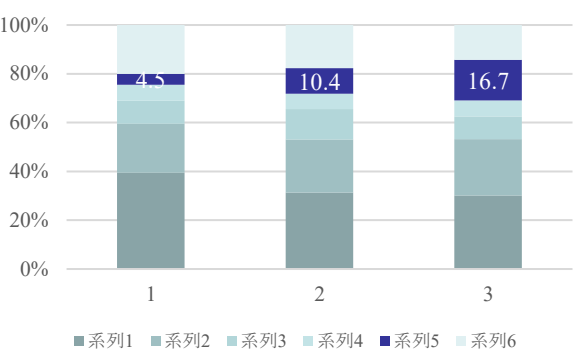
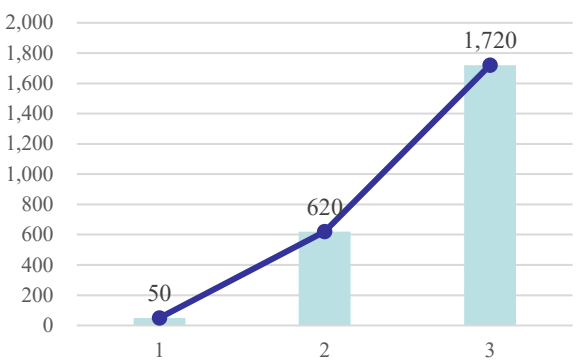


Figure 1: EC Market Size in SEA(USD bn)

Figure 2: Share of Transaction Volume

In 2020, the EC market size in SE Asia is expected to exceed USD 172 billion by 2025 (Figure 1). Among the region’s countries, Malaysia has shown particularly high growth in e-commerce, with the grocery sector experiencing the highest growth (Figure 2). However, the distribution of fresh products remains a challenge due to underdeveloped transportation infrastructure, resulting in high waste rates. In addition, industry fragmentation, low adoption of digital technologies, poor coordination in planning and execution, and governance issues force producers to offer mediocre-quality products at high costs. Due to these challenges, the fresh food distribution via e-commerce remains insufficiently developed. It is expected that overcoming these issues would bring out significant growth potential in Malaysia’s fresh food e-commerce sector, improving the competitiveness of local farmers, enhancing convenience for consumers, and ultimately contributing to the promotion of international trade.

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Demonstration period

August 2023 – December 2024

Details of demonstration

Promoting Fresh Food E-commerce through the Digitalization

Traditionally, fresh food distribution in Malaysia has relied heavily on analog transactions, resulting in a lack of transparency. This project aims to replace the conventional system with a digital e-commerce platform, improving transparency and enabling more efficient distribution.

Building a Direct Cold-chain Fulfillment Network

To connect small and medium-sized producers directly with consumers and support small-lot, multi-item orders, the development of a shared cold-chain collection and delivery network is essential. Under the traditional system, suppliers for vegetables, fruits, eggs, poultry, and seasonings were separated by product category, each operating its own warehouses and logistics trucks. This made it difficult to handle small-lot orders at low cost. By leveraging the newly established cold-chain compatible shared logistics network, this project enhances fulfillment functions covering ordering, collection, and delivery at each distribution point. This approach will reduce logistics costs, enable handling of diversified small-lot orders, and improve convenience for both producers and consumers.

Project outcome/ future plans

Malaysia’s fresh food e-commerce market has grown rapidly, with monthly sales exceeding JPY 70 million and achieving over 85% growth during the project period. The introduction of cold-chain small-lot delivery and AI-based fulfillment optimization significantly reduced logistics and operational costs, improving full-year gross margins by over 6 points. The number of producers using the service grew by 35% across Japan and Malaysia, reaching 449 by December 2024, and some users saw sales increase by over 200%. On the demand side, over 1,650 restaurants and hotels—mainly mid- to high-end—are now purchasing fresh food online. This accounts for 10% of the 16,000 target outlets in Kuala Lumpur, and a 35% share among the core mid-/high-end segment. Increased producer participation has led to better product variety, lower prices, fewer stockouts, and a rise in both customer numbers and purchase values—creating a virtuous cycle. Based on these results, we see strong potential to accelerate fresh food e-commerce across Southeast Asia. Future plans include expanding farmer and customer participation, capturing 20–30% of the logistics market, entering the B2C space, and scaling to other ASEAN countries through strengthened partnerships with the companies collaborated in this project.