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PROJECT LEADER : Prof Dato' Dr Hasnah Haron

PROJECT MEMBERS :

1. Prof Dato' Dr Ishak Ismail
2. Dr Yuvaraj Ganesan (USM)
3. Ms. Sasikala Sankaran Pillai (USM)

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SUMMARY OF RESEARCH FINDINGS (*Ringkasan Penemuan Projek Penyelidikan*)

G See attachment of full report.

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**STUDY ON AWARENESS AND PERCEPTION OF CA2010 AND ROLE OF MYCC IN
MALAYSIA**

Final Report submitted in fulfilment of the requirements for

**MALAYSIA COMPETITION COMMISSION
RESEARCH GRANT PROGRAMME**

December 2016

By the Research Team:

**Prof. Dato' Hasnah Haji Haron
Principal Researcher
Universiti Malaysia Pahang (UMP)**

Co-researchers:

**Prof. Dato' Ishak Ismail
Universiti Malaysia Pahang (UMP)**

**Dr. Yuvaraj Ganesan
Universiti Sains Malaysia (USM)**

UMP
Research Assistant:

**Ms. Sasikala Sankaran Pillai
Universiti Sains Malaysia (USM)**

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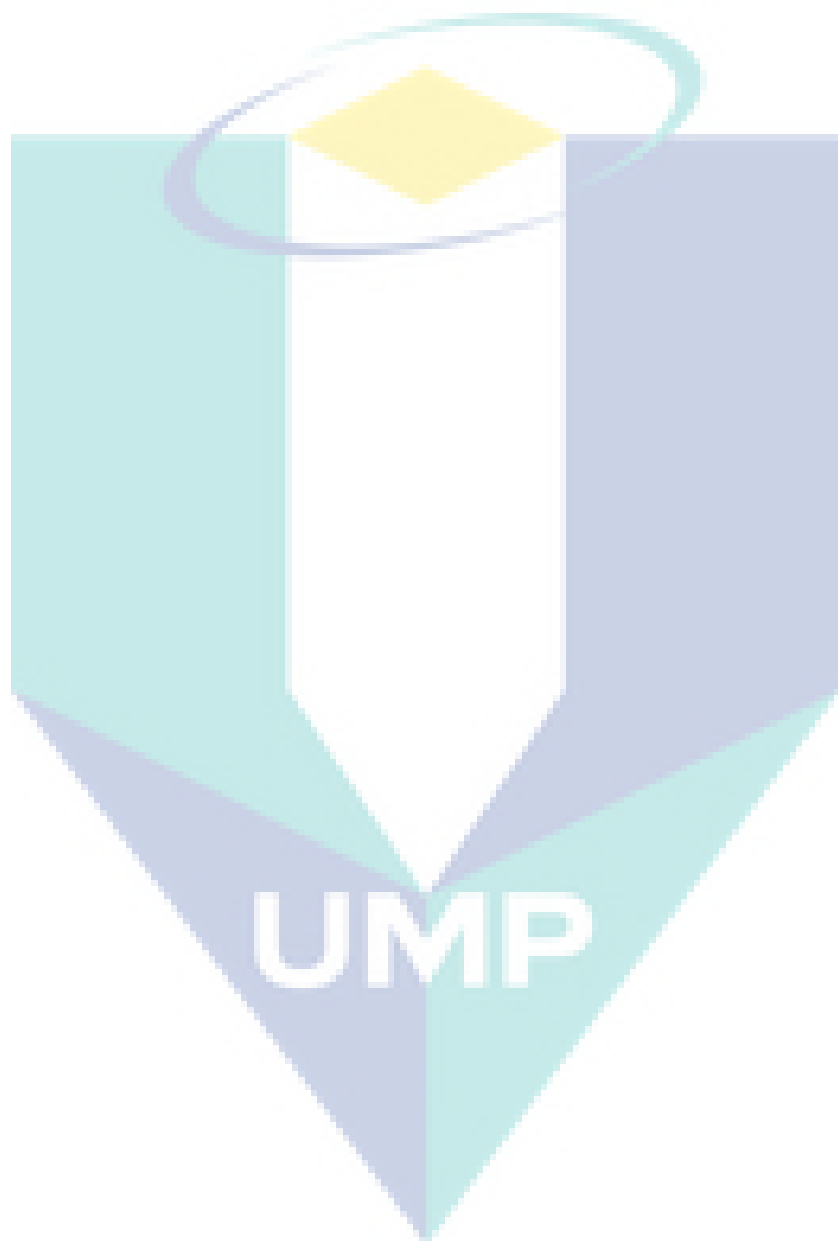
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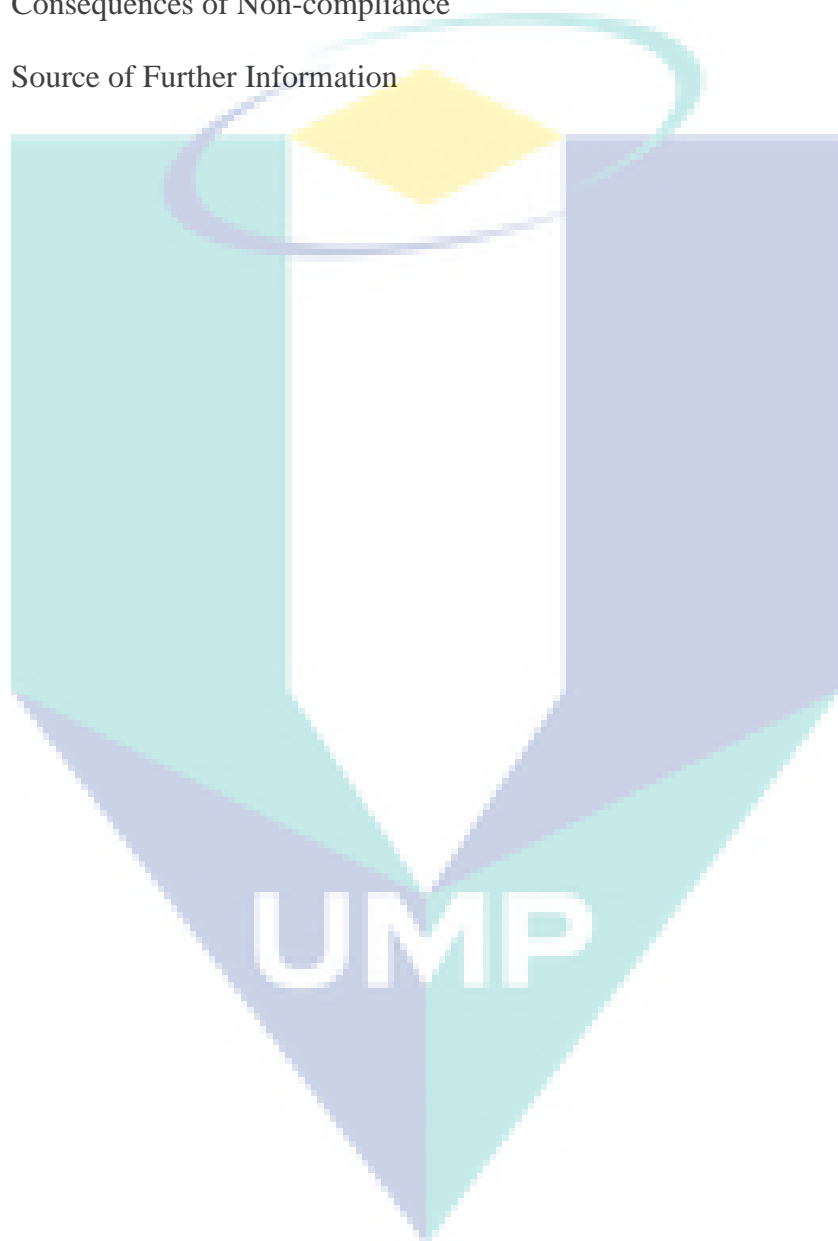


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STUDY ON AWARENESS AND PERCEPTION OF CA 2010 AND ROLE OF MYCC IN MALAYSIA

EXECUTIVE SUMMARY

The Competition Act 2010 (CA 2010) was gazetted on June 2010 and came into force on 1 January 2012. The Act is administered by the Malaysian Competition Commission (MyCC) which was established under the Competition Commission Act 2010. MyCC plays a vital role in ensuring the CA 2010 is well received. MyCC continuously embark in providing and engaging stakeholders across all levels with its advocacy and outreach activities.

It has been three years since the implementation of CA 2010. The first baseline study was conducted in 2013 to gauge stakeholders' awareness and perception of CA 2010. Therefore, the main objective of this research is to examine whether the level of awareness and perception of CA 2010 has increased over time. Other issues examined are (i) quality of advocacy and outreach of MyCC, (ii) the level of awareness and knowledge of the various stakeholders of the Competition Act 2010 and of the role of MyCC, (iii) the perception of stakeholders on the effectiveness (quality) of enforcement of MyCC, (iv) the perception of stakeholders on the general state of market competition in Malaysia, (v) the perception of stakeholders on entities' practices, attitude and culture of Compliance with the Competition Act 2010, (vi) the stakeholders' preferable sources of information on Competition Act 2010 and preferable social media sites and (vii) comparing the results of the current study to the Baseline Study 2013. This study also examined the relationships of quality advocacy and outreach of MyCC with (i) awareness (knowledge) of CA 2010, (ii) awareness (knowledge) of MyCC's role (iii) perception of the enforcement effectiveness (quality) of MyCC, (iv) perception of stakeholders on the general state of market competition in Malaysia and (v) perception of stakeholders on entities' practices, attitude and culture of Compliance with the Competition Act 2010 among stakeholders.

To meet the above-mentioned objectives, e-survey and Focus Group Discussions (FGDs) were undertaken. A total of 463 respondents from Business Community (Government Link Company (GLCs), Multinational corporations (MNCs), Small and Medium Enterprises (SMEs)), Government Agencies, Practitioners (Lawyers & Economists), Consumers (Students) and Consumers/Trade Associations participated through e-survey since September 2016. A total of 48 participated in the FGDs that took place at four locations at Kuala Lumpur, Penang, Pahang and Sabah between July to August 2016 ranging from a minimum of nine to a maximum of 16 participants at each locations.

Results show that SMEs, the highest stakeholder group in acknowledging on the quality of advocacy and outreach programs of MyCC. Practitioners (lawyers and economists) show the highest awareness level of CA 2010 followed by Consumers/Trade Associations. In terms of MyCC's role, Consumers/Trade Associations show the highest awareness level followed by Practitioners (lawyers and economists) and SMEs. SMEs, the highest stakeholder group in

acknowledging on the effectiveness (quality) of MyCC's enforcement. The study shows that Practitioners (lawyers & economists), followed by Government Agencies and Consumers/Trade Association acknowledge that Malaysia businesses are run by only a few large player with not enough competition. The business entities (MNCs, SMEs and GLCs) indicate having good and positive practices, attitude and culture of Compliance with the CA 2010. The study also found that Internet, the most preferable sources of information on CA 2010 by respondents.

When compared to Baseline Study 2013, the current study shows that the overall level of knowledge on the existence of MyCC and CA 2010 is very high among SMEs. The relationship testing shows significant relationship between the quality of advocacy and outreach of MyCC and the level of perception of the enforcement effectiveness of MyCC for all stakeholders except for consumers/trade associations.

This study revealed an overall improvement in the quality of MyCC advocacy and outreach program in relation to awareness and perceptions to CA 2010 and as compared to Baseline Study 2013. Thus, this study propagates continuous quality training and education to be given to stakeholders, optimum utilization of the available social media sites and usage of multiple languages in MyCC's advocacy and outreach activities. In emphasizing the enforcement activities, this study recommends MyCC's advocacy and outreach program to include industry specific do's and dont's of what can do and cannot do at the marketplace as a guide to stakeholders as well as establish helpdesk facilities to help stakeholders with uncertainties when faced with various Acts and Laws that exist within our legal system.



UMP

CHAPTER 1

INTRODUCTION

1.1 Background and Research Objectives

The Competition Act 2010 was gazetted on June 2010 and came into force on 1 January 2012. The Act is administered by the Malaysian Competition Commission (MyCC) which was established under the Competition Commission Act 2010. It has now been almost three years that MyCC has been implemented and it is timely for MyCC to conduct a study to examine whether the level of awareness of its stakeholders has increased as compared to the baseline study conducted in 2013. The targeted stakeholders are business community (MNCs, SMEs and Government-linked companies), government agencies, competition practitioners (lawyers and economics), consumers (students) and consumer/trade associations.

The specific objectives of the survey are as follows:

1. To determine the quality of advocacy and outreach of the Malaysian Competition Commission (MyCC).
2. To determine the level of awareness and knowledge of the various stakeholders of the Competition Act 2010.
3. To determine the level of awareness and knowledge of the various stakeholders of the role of Malaysian Competition Commission (MyCC).
4. To determine the perception of stakeholders on the effectiveness (quality) of enforcement of MyCC.
5. To determine the perception of stakeholders on the general state of market competition in Malaysia.

- 6. To determine the perception of stakeholders on entities’ practices, attitude and culture of Compliance with the Competition Act 2010.
- 7. To determine the stakeholders’ preferable sources of information on Competition Act 2010 and preferable social media sites.
- 8. To compare the awareness level of various stakeholders with the 2013 Baseline study.

1.2 Problem Statement

Since its establishment, MyCC had conducted advocacy programs targeted towards stakeholders groups nationwide in an effort to introduce the Competition Act 2010. Starting from 2011 up to 2016, MyCC had conducted 188 advocacy programs nationwide as shown in Figure 1.1.

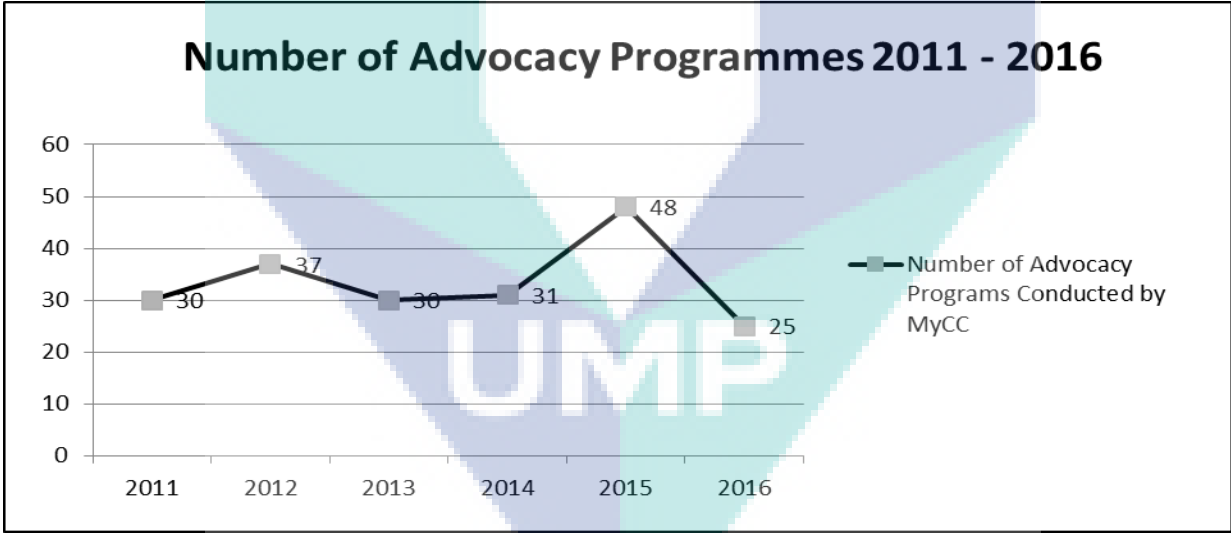


Figure 1.1
 Number of Advocacy Programmes Conducted by MyCC 2011 - 2016
 (Source: Chart constructed based on data from MyCC website: www.mycc.gov.my)

In 2013, MyCC had conducted a baseline study to gauge the level of awareness of the Competition Act 2010 among businesses. Despite having conducted 97 advocacy programs

nationwide between 2011 and 2013 as depicted by Figure 1.1, the 2013 Baseline Study indicated low level of awareness and knowledge of the Competition Act 2010 among the 14 states in Malaysia especially Perlis, Melaka and Sabah having a zero level of awareness and knowledge of the Act as shown in Figure 1.2 and Figure 1.3. This 2013 Baseline Study's findings set out as a crucial indicator of MyCC's effectiveness and quality of the advocacy and outreach programs carried out. Thus, MyCC should build relevant advocacy programs that could enhance the knowledge requires for Malaysia to have a healthy competitive market which is one of the important agenda in achieving the one Asean community.

Post 2013 Baseline Study, MyCC has undertaken the necessary steps to raise the awareness (knowledge) of the Act among the stakeholders. Therefore, it is timely in 2016 to undertake another study to measure the level of awareness (knowledge) of the public towards the Act if it has increased or not. In addition, the current study should also include the perception of stakeholders on the quality of advocacy and outreach programs and the role of Malaysian Competition Commission (MyCC) and its enforcement effectiveness (quality); the general state of the nation's market competition; stakeholders' practices, attitude and culture of Compliance with the Act; source of information and modes of information dissemination of the Competition Act 2010.



Figure 1.2
 Awareness of CA 2010 by State
 (Source: Baseline Study on Awareness of CA 2010 in Malaysia for MyCC, 2013)

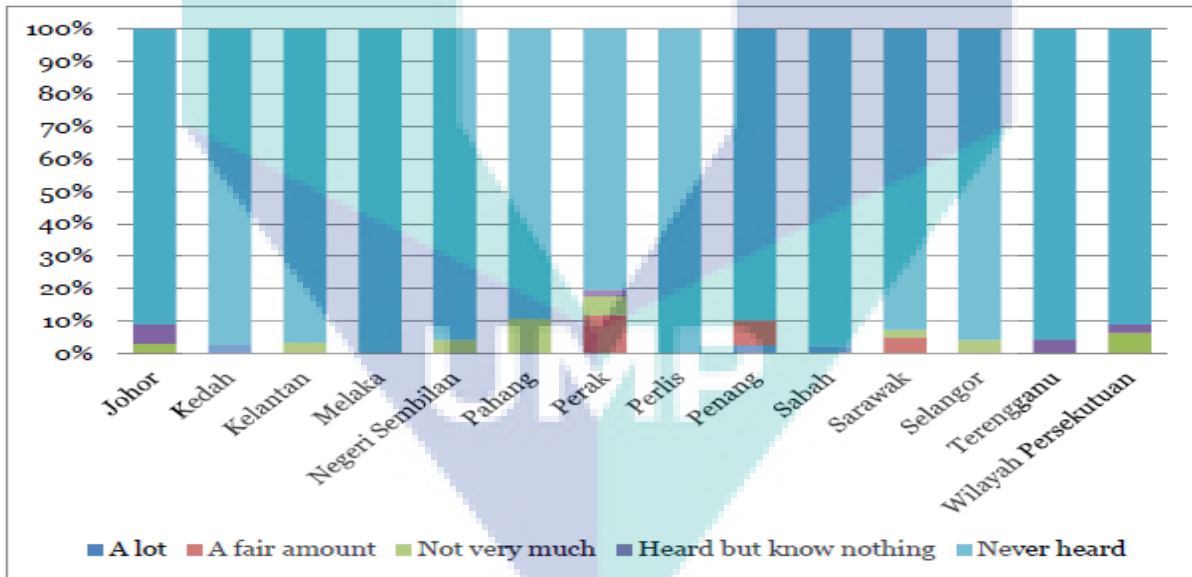


Figure 1.3
 Knowledge about CA 2010 by State
 (Source: Baseline Study on Awareness of CA 2010 in Malaysia for MyCC, 2013)

1.3 Stakeholder Groups

In this study, SMEs are the primary stakeholders to enable a comparative to be done with the 2013 Baseline Study. SMEs are acknowledged as the backbone of Malaysian's economy as SMEs represents 97% of business establishments contributing towards 36% of nation's GDP, 65% of the nation's employment and 18% of nation's export (The World Bank, 5 July 2016).

However, based on the Stakeholder Perception Survey 2012 (Competition Commission of Singapore), the other above-mentioned stakeholders are included to provide a comprehensive view of the current situation on the ground in terms of competition and overall awareness of CA 2010 and MyCC. Moreover, this study has included these stakeholders of interest in tandem with MyCC's Strategic Plan for Competition Advocacy & Communication 2015-2017, hence, MyCC should have the basic information pertaining to these stakeholders' current situation in order to set long term planning to tackle the wants and needs of these stakeholders as they make up the multifaceted Malaysian consumers. Furthermore, CA 2010 applies to all these groups irrespective of types of stakeholders. The legislature did indicate in its clauses such notion targeting certain stakeholders only. It is an Act for all people.

1.4 Quality improvement of MyCC Advocacy and Outreach program

This study intends to present improvement of the advocacy and outreach program from three perspectives; content, outreach and impact.

The content perspective shall narrow down detailing on 'the what' precisely considered as quality content which can be included in MyCC's future advocacy and outreach program.

The outreach perspective shall focus on 'the how' these advocacy and outreach program can be delivered to the fullest advantage of the recipients and are able to be sustainable in the future.

The impact perspective shall bring out ‘the effect’ desired to be seen during the course of the implementations of the advocacy and outreach program.

1.5 Overview of Report

This report will have five chapters.

The first chapter discusses the objectives of the study, problem statement and types of stakeholders that will be approached for their perception on level of awareness of CA 2010 and role of MyCC.

The second chapter consists of the reviews of the relevant literature pertaining to this study subject leading to the study hypotheses.

The third chapter discusses theory, theoretical framework, hypotheses development and research method undertaken in this study focusing on the research design, respondent groups and its sampling method.

The fourth chapter presents the results from the quantitative data analysis from all respondents that participated in the e-survey and the qualitative analysis based on focus group discussion conducted at four various locations which were the (1) MyCC, Kuala Lumpur, (2) USM, Penang, (3) UMP, Pahang and (4) Wisma SEDIA, Sabah.

The fifth chapter summarizes the study by discussing each of the research objectives, recommendations this study would like to put forward, limitations of study and suggestion for future research.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter presents studies related to competition advocacy activities that had been carried out globally by competition authorities worldwide including case studies on competition issues. Best practices implemented by competition authorities that resulted in good output are also included in this chapter.

2.2 Related Advocacy Studies

2.2.1 Baseline Study on Awareness of CA 2010 in Malaysia

This study was conducted in June 2013 to ascertain the level of awareness of CA 2010 among business entities in Malaysia after one and half years of CA 2010 being implemented. This study adopted both the quantitative and qualitative approach. About 600 respondents of small and medium enterprises (SMEs) from services (75.4%), manufacturing (14.2%), building and construction (6.4%), agriculture (3.1%) and mining and quarry (0.8%) industries were randomly selected and interviewed face to face throughout Malaysia with survey questionnaire with four main sections; (1) Profile of business activities, (2) Awareness on the function of MyCC, (3) Awareness of CA2010 and (4) Method of information dissemination. Additionally, focus group discussions (FGDs) with participants from various government agencies, NGOs, trade associations and interest groups were held in five locations specifically in Kuala Lumpur (central region), Penang (northern region), Kota Kinabalu (East Malaysia), Kuching (East Malaysia) and Kuala Terengganu (East coast region).

2.2.1.1. Quantitative Results

- **Awareness of MyCC and CA 2010**

The report indicated a very low level of awareness of MyCC's existence and CA 2010 among the respondents. Only 8.9% of total respondents were aware of MyCC's existence through internet, business link, newspaper and television/radio as the most important mode of assessing information. Across states in Malaysia, the report indicated respondents from Melaka and Perlis having zero level of awareness. Only 6.6% of total respondents were aware about CA 2010 through similar channels of business information with addition of trade publications. All states across Malaysia except Perak (11.8%) indicated low knowledge level of CA 2010 (below 10%). Overall, the knowledge level of CA 2010 across states came up lower when compared with the level awareness of MyCC. Further, the report found no significant difference between domestic-driven (7.6%) and export-oriented business (6.2%) in terms of awareness level of MyCC. Also, large sized businesses having a greater knowledge about MyCC and decreases as business gets smaller.

- **Knowledge of illegal practices**

This report indicated that business entities had a good understanding of what were legal vs illegal practices with almost half of respondents (38.4% to 50.5%) identified all nine illegal practices and 12.7% to 19.6% identified illegal under certain circumstances. About 17.7% to 26.7% respondents indicated those practices as illegal and 13.5% to 20.3% did not know about the practices.

- **Breaching of Competition Law**

About 41.6% (state) and 43.7% (sector) respondents were unsure if businesses in their state or sector have violated competition law by engaging in anti-competitive behavior and about 39.6% (state) and 41.4% (sector) in abuse of dominant power. This is followed by 31.7% (state) and 28.2% (sector) businesses indicating involvement in anti-competitive activities and 35.0% (state) and 30.4% (sector) in abuse of dominant power. However, 26.7% to 28.2% respondents acknowledge no violation of the Competition Law in their state or sector.

- **Experience with illegal practices**

Majority of the respondents, 80.4% and 79.6% respectively, do not have any experience engaging in anti-competitive agreement or abuse of dominant power. On the contrary, the remainder 19.6% and 20.4% respondents have had experiences dealing with anti-competitive agreement and abuse of dominant power respectively.

- **Consequences of non-compliance**

Given eight consequences of law violation, 48.1% average respondents indicated knowing the consequences versus 19.8% non-informed. The report also indicated that 32.1% respondents do not know the consequences of non-compliance.

- **Source of further information about CA 2010**

The most preferred source of information about the Competition Act is the internet (82.6%), followed by newspaper (49%) and television/radio (40.3%). About 19.5% respondents would seek MyCC for the needed information. Very few would look for legal advisor (5%) and financial advisor (1%) in this information sought process.

2.2.1.2. Qualitative Results

- **General Views of CA 2010**

Participants overwhelmingly agreed on the positive attribute of CA 2010 in promoting fair competition for the Malaysian market in order to control monopolistic or dominant market players, to encourage private investment, to drive innovation, to open up business opportunities and to safeguard consumer s' welfare.

- **Level of awareness**

FGDs held at all locations indicated that the level of awareness among industry or business players were really low and among consumers were definitely low.

- **Hindrance of CA 2010**

The report indicated MyCC advocacy programs were insufficient to disseminate information on CA 2010 and the seriousness of CA 2010 was doubtful when there are many loopholes and questionable terms in the Act coupled by many Acts in Malaysia's Statute (i.e. CA 2010 vs Cabotage Policy 1980). Further, the exemptions given to GLCs without specific timeline as well as exemptions given to telecommunication provider were not in favour to the participants in which participants suggested that all types of businesses should be subjected to CA 2010 in order to achieve the objectives of CA 2010. The monitoring process involving MyCC's capacity and ability to monitor infringed cases were raised by participants.

2.2.2 Stakeholder Perception Survey 2014 (Competition Commission of Singapore (CCS))

This study was commissioned by CCS in 2014 to find out the evolvement of various groups of stakeholders' perceptions and attitudes on its Singapore competition law in comparison to 2012 study. Specifically the aim was to study CCS's achievement in reaching its four desired outcome: (1) Enlightened Competition Legislation with relevant, business friendly and updated worldwide best practices, (2) Effective Enforcement with thorough, robust and timely process (3) Enhanced Voluntary Compliance by business entities and (4) Educated Stakeholders who are informed on the competition regime and CCS's role and responsibilities. This study adopted the survey methodology of mass online survey followed by focused survey/in-depth inquiry with respondents who had experience dealing directly with CCS. A total of 196 consumers, 401 businesses (SMEs, MNCs, LLEs, GLC), 30 government agencies and 28 competition law practitioners (lawyers and economists) and 106 students (lawyers and economic) respondent to the online e-survey. The e-survey revealed businesses and consumers have greater awareness compared to 2012 survey. This study also found significant increase in the number of experiences shared with CCS reflecting on the increased level of awareness of competition law and CCS's activities. Further, the study noted that respondents were of the opinion that market was dominated by large players making it difficult for small businesses and SMEs to compete in the marketplace. Also, respondents agreed that businesses were colluding and insufficient competition existed in the marketplace. This study propagated that small businesses and consumers to be given more education clarifying on the roles and responsibilities of CCS and the types of anti-competitive behaviours prohibited in the marketplace. Businesses recognized CCS's enforcement activities as generally effective, rigorous in its analysis and makes objective and sound decisions; however, the rating has fallen for consumers.

2.2.2.1 Mass Online Survey Results

- Fairly low level of understanding and knowledge about Singapore competition laws among consumers and businesses. In addition, the result indicated a very unclear perception about the competition laws and CCS among these respondents.
- Although most business and competition practitioners indicated positive feedback received from higher management supporting compliance to competition laws, these respondents also indicated insufficient real activities, for example, training, whistle-blowing programs, proper explanations on do's and don'ts)

2.2.2.2 In Depth Inquiry Results

- Generally, respondents indicated positive experiences. Those with negative experiences, perceived lack of robustness in the competition laws and regulations.
- In regards to relevance to current legislatures, generally the competition legislations were seen as clear and effective. With negative experiences, the laws were seen as clear but not effective due to loopholes in the laws.
- In regards to credibility of enforcement, CCS's investigation seen as sufficient with timely interventions.
- In regards to culture of effective enforcement, it was seen as generally improved as the frequency of anti-competitive behaviour decreases.
- Although CCS was regarded having good professionalism with a thorough and robust investigating processes, it was noted that CCS is lacking the understanding of how certain industries operates and need to be more discriminatory in the targeted industries investigations. CCS's role was regarded necessary having adequate

enforcements; however, consumer education was regarded as necessary to complement it.

2.3 Worldwide Competition Legislatures Advocacy Activities

2.3.1 Associations of Southeast Asian Nations (ASEAN) Advocacy Activities

In creating a level playing field for businesses in ASEAN, the Toolkit for Competition Advocacy in ASEAN had been devised. As each member country has its own considerations and priorities, advocacy activities covers the initial stage of awareness raising to a more strategic reform encompasses policy development. Thus, advocacy activities involves step by step process from understanding the situation, stakeholders, and target audiences to formulating the right messages eventually leading to action plans to be implemented, monitored and evaluated as shown in Figure 2.1. The methodologies advocated by this toolkit consist of a combination of various tools such as:

- Digital tools (websites, social media)
- High-profile endorsement
- Direct outreach to targeted groups
- Technical trainings
- Internal and inter-ministerial communication
- Public information activities
- Press and media coverage

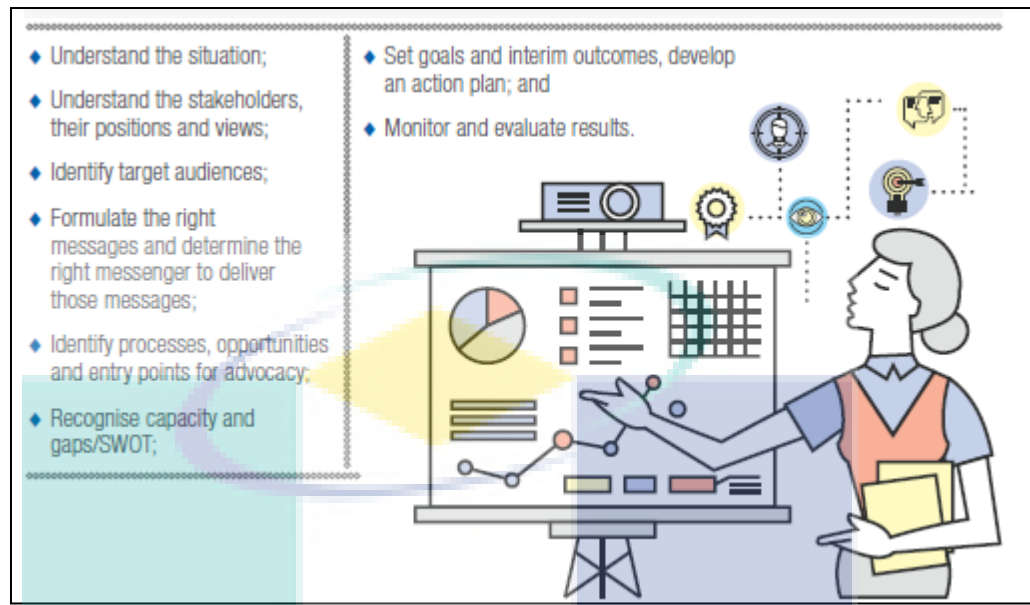


Figure 2.1
 Planning of Advocacy Activities
 (Source: ASEAN Advocacy Toolkit)

2.3.2 OECD Members Countries Competition Advocacy Activities

The competition agencies of OECD member countries have been continuously engaged in advocacy activities with multifaceted tools in encouraging businesses in accepting the concept of competition policy and its benefits. Each member countries diligently works in allocating sufficient resources for advocacy work in the effort of developing effective advocacy programs customizing to its own requirements and needs. Table 2,1 presents advocacy tools being used by selected OECD member countries (OECD, 2011). Developing such programs takes time and needs serious efforts, nevertheless, they are essential to lay out the fundamentals needed for businesses to comply with the competition legislations and to avoid infringements of the competition legislations that could cost reputational damages in the marketplace.

Table 2.1
OECD selected member countries advocacy activities

Member Country	Competition Legislatures Advocacy Activities
Germany	Emphasized awareness and guidance: <ul style="list-style-type: none"> • Guidance on the law • Publications on cases and of sector studies • Press relations • Providing a hotline and a mailbox for citizens' complaints • Close cooperation with other public institutions (i.e ministries, courts,
Norway	Promote knowledge and compliance through advocacy: <ul style="list-style-type: none"> • Seminars on competition law • Information campaign on leniency • Online information • Newsletter • Media coverage • Public debate
Sweden	Increase awareness among trade associations: <ul style="list-style-type: none"> • Advocacy lecturers • Web-based interactive tool on the Swedish Competition Authority (SCA) for trade associations to assess their own practices based on traffic light system of assessment with green as compliant (i.e education & training, information gathering, general lobbying), amber as potentially non-compliant (i.e current/historic/individual/aggregated information sharing) and red as non-compliant (i.e price coordination, price recommendations, market sharing).
Romania	Strategies in facilitating voluntary compliance: <ul style="list-style-type: none"> • Speeches and official statements available on official website • Using media both print and electronic in publicising important investigations and decisions • Consultations, Seminar & Lecturers
Russian Federation	Advocacy as the main mechanism for prevention of competition legislation violations: <ul style="list-style-type: none"> • Interactions with judges of arbitration courts and courts of general jurisdiction through seminars and meetings. • Interaction with public authorities when providing support for legislative initiatives and to increase officials' awareness. • Interactions with academic, public and business community through close cooperation with non-commercial partnership, by maintaining expert councils, holding different seminars and conferences. • Ensuring openness and transparency through Community Liaison Office, through press service by providing information and comments, through outdoor social advertising and radio advertising, through publishing specialized books and booklets, through reports placed on official websites etc. • International cooperation through participation with international organizations (i.e OECD, ICN), through interaction with European Community when holding joint investigations of violations, through providing technical assistance etc.

(Source: OECD, 2011)

2.3.3 United Nations Conference on Trade and Development (UNCTAD) Advocacy Activities

Working at the national, regional and global level, UNCTAD published Guidelines for Implementing Competition Advocacy with the aim of providing a range of competition advocacy tools that can be adopted by member countries. Stakeholders were identified and the following competition advocacy approaches were put forward:

- Evaluating the compliance of projects/regulations with competition rules and providing legal expertise to bodies of legislative and executive power in the process of drafting legal acts
- Meetings
- Joint working groups
- Joint working with stakeholders organizations on key issues
- Conducting public consultation exercise
- Preparing Interim Report for publication for comments
- Drafting guidelines on specific aspects of the competition process/certain form of anti-competitive conduct
- Organizing seminars and conferences
- Press releases
- Interviews and press conferences
- Publications
- Internet site
- Video
- Social networks

2.3.4 Canadian Competition Bureau (CCB) Advocacy Activities

Canadian Competition Bureau emphasizes on targeted advocacy work that emphasizes on balancing regulation and competition. The Canadian Competition Commission was granted under Section 125 and 126 of their Competition Act to appear at the federal and provincial boards that overseas regulated industries to advocate that regulators and policy makers regulate only when necessary and to rely on market forces as much as possible in order to obtain competition benefits in the marketplace. For example, in a recent press release dated October 4, 2016, the Bureau questions restrictions placed on healthcare advertising in which the Bureau called for governments and self-regulated bodies to collect and compile data on the outcomes of their policies such as changes in prices and consumer preferences to enable evidence-based decision making to be implemented. The Bureau in its *Competition Advocate* presented four important principle for effective regulation: (1) Regulate only when really necessary (meeting legitimate policy concern and not designed to meet other goals such as industry participants earning certain level of income as an example), (2) Use the best available evidence to inform decisions (such as empirical evidence to measure across consumer groups) , (3) Strike the right balance between policy objectives and minimal intrusion (‘preserve the greatest possible amount of market-based competition’) and (4) review regulations regularly (to avoid timeworn regulations that can negatively affect new ways of doing business).

2.3.5 International Competition Network (ICN) Advocacy Activities

The Advocacy Toolkit presented in the 10th ICN Annual Conference in 2011 acknowledged that competition advocacy activities can take many forms, however the advocacy efforts do contain certain common steps known as components depicted in Figure 2.2 for effective advocacy results. In the first component of competition advocacy issues identification, competition agencies may sometimes identify the issues by themselves through horizon scanning via examining potential threats and opportunities or while conducting enforcement activities or when executives/legislatives constantly consult competition agencies prior issuing laws or regulations.

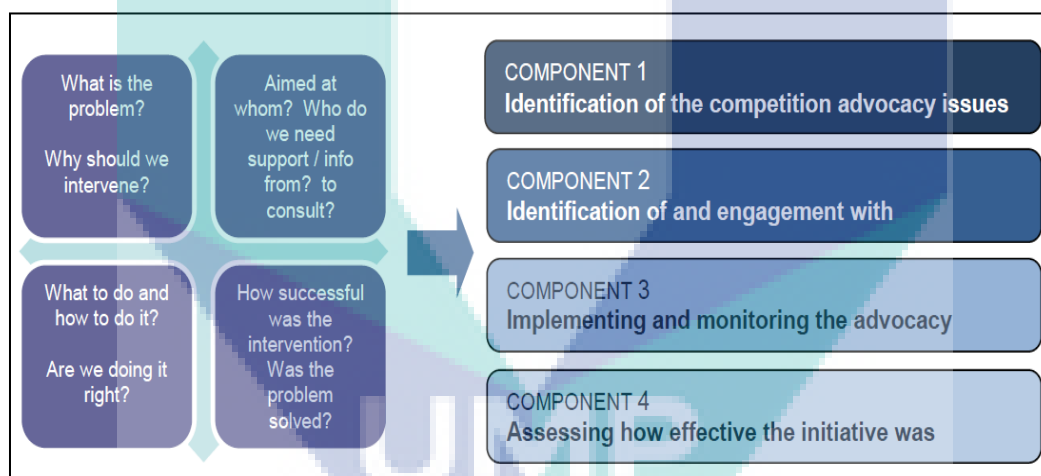


Figure 2.2
Competition Advocacy
(Source: ICN Advocacy Toolkit (2011))

In order to be effective, importance should be given to component two through stakeholders' identification and tailoring approaches suitable to each stakeholder. This toolkit recommends the below approaches:

- One-to-one meetings especially with influential stakeholders

- Inviting stakeholders to sit on steering, advisory and working groups
- Presentations to staff/senior management teams/boards
- Recruiting team members from stakeholder organizations
- Joint working with stakeholder organizations on key issues
- Conducting public consultation exercise
- Preparing an interim report for publications for comments
- Seminars for broader debate of particular issues or topics
- Written communications, for example, in the form of newsletters, updates, guidelines or drafts of papers
- e-mails
- Web sites hosting key papers
- Focus groups and seminars – these might be a useful way of involving members of as sector, representative organizations or users
- Offering and publicising the agency as a source of assistance to the relevant stakeholders

The third component involves implementation and monitoring of the advocacy activities either by the agencies themselves or by engaging other institutions. In the last component, evaluation of the competition advocacy activities takes place with the aim for better improvement.

2.4 Usage of Information Technology by Competition Commission Worldwide

Information Technology (IT) presents a dynamic platform for Competition Commission worldwide to perform advocacy and outreach work. IT provides effective opportunity for commissions to disseminate pertinent information to business entities and consumers

worldwide. The common platform that is being used is by having commissions' official websites. Some of the websites are as follows: <https://www.gov.uk/government/organisations/competition-commission> for United Kingdom Competition Commission, www.competitionbureau.gc.ca/ for Canada Competition Commission, and <https://www.accc.gov.au/> for Australian Competition and Consumer Commission.

As business entities and consumers worldwide, especially the younger generation, mobilize the usage of IT, following suit, some competition commissions also utilizes IT to their advantages. To name a few, The Competition Commission South Africa, Competition Commission Singapore and Competition Commission Philippines had created official **Facebook** to reach out to public (Appendix 1). Besides, The Competition Commission South Africa uses **Instagram** (Appendix 2) and UK Competition Commission and European Commission uses **Twitter** (Appendix 3) and. Competition Commission Singapore and The Competition Commission South Africa also utilizes **YouTube** in their course of work (Appendix 4).

2.5 Case Studies

Some of the initiatives carried out by competition commission worldwide that had produces good results are presented here in the form of case studies.

2.5.1 UK Office of Fair Trading (OFT)'s use of Social Media: Twitter

‘Since September 2010, the OFT has been extending its web presence and reach through use of Twitter, an online social networking service. Twitter enables users to send and read text-based posts of up to 140 characters, informally known as tweets.

The OFT Twitter account (@OFTgov) is managed by an internal communications team on behalf of colleagues across OFT. The OFT ‘tweets’ approximately once per day. Tweets may include the following:

- Alerts about new content on the OFT’s other digital channels (news, publications, videos on YouTube, speeches, publicity campaigns, etc.).
- Invitation to provide feedback on specific issues on which OFT is consulting.

In its first year of use, the OFT has accumulated nearly 2000 subscribers to its Twitter feed. While the OFT is not able to reply individually to all messages received by Twitter, the digital media team ensures that any emerging themes or helpful suggestions identified by users are passed along to the relevant people in the OFT’. (Source: ICN, 2011)

2.5.2 UK Office of Fair Trading (OFT)’s Competition Law Film

‘In June 2011, the OFT published a short film entitled Understanding Competition Law as part of package of materials developed to increase understanding and awareness among businesses of how to comply with competition law.

Understanding Competition Law innovatively explains the importance of competition law, the different ways in which competition law can be breached and highlights practical steps that businesses can take to ensure compliance, with a focus on the OFT’s suggestion four-step process for achieving competition law compliance.

The film includes dramatization of a dawn raids, alongside interviews with Richard Whish, Professor of Law at King’s College London, and OFT officials. It compliments OFT’s written guidance by presenting complex competition law issues in a succinct and accessible manner for business people.

Since its launch, OFT has proactively promoted the film and accompanying materials and is encouraging organizations and films to include elements of their film in their training programmes. OFT is also working with trade associations and industry bodies to promote the film via their websites, newsletters and magazines. The film and wider material are available to order for free from the OFT's website and can also be viewed on the OFT's You Tube Channel (which has received over 7,500 views as of November 2011'. (Source: ICN, 2011)

2.5.3 The Netherlands Competition Authority (NMa)'s Consuwijzer

'Consuwijzer is the information helpdesk for consumers, offering practical tips and advice about their rights. The helpdesk is an initiative of three supervisory bodies, namely the Consumer Authority, The Netherlands Competition Authority (NMa) and the Independent Posts and Telecommunications Authority (OPTA). For consumers with complaints and problems, the barrier to obtain justice often seems high, and Consuwijzer is seeking to lower that barrier. A few additional tools at their disposal should make consumers feel more confident about standing up for their rights.

It is clear from the popularity of the model letters on Consuwijzer that there is a substantial demand for such tools among consumers. In the first six months of 2011 the use of model letters rose by 14% compared to the same period in 2010. In total they were used more than 250,000 times in 2011. Sometimes consumers are reluctant to confront the retailer. In spite of the fact that it is quite normal to take action when you think that you are within your rights. Consumers with a successful story can therefore serve as an example to other consumers. Proper preparation is also very important. Being fully aware of your rights is only part of such preparation. A well-prepared consumer can articulate his problem, knows what questions he is

likely to be asked, and defines his objectives for the interview in advance. In the first half of 2011, Consuwijzer received some 44,000 questions and reports from consumers through their helpdesks. During this period the website was visited almost a million times. This is comparable to the same period last year, although the number of questions asked actually declined. This is partly because the information on the website has been revised in such a way that is easier for the consumer to find the information he is looking for.

In November 2011, the Dutch public has named Consuwijzer.nl the ‘Best government website’ of the year for the second time in a row’. (Source: ICN, 2011)

2.5.4 Office of Competition and Consumer Protection of Poland (UOKiK)’s Promotion Mechanisms/Types of Competition Advocacy Messages

‘In 2009, a new Regulation on the leniency programme as well as Guidelines on leniency – a practical guide for enterprises entered into force. Therefore, the Office decided to inform the public about the harmful effects of price fixing agreements and to encourage cartel participants to cooperate with the Office in order to avoid fines or receive more lenient sanctions.

UOKiK launched the most extensive ever campaign popularising knowledge on competition protection among entrepreneurs. The campaign included broadcasting an advertisement entitle “Zart” (A Joke) on business and information TV and radio channels. The TV spot was created on the basis of cartoons by famous cartoonist Marek Raczkowski. The media campaign was supported with direct mailing targeted at 500 largest enterprises in Poland and 335 companies operating on local markets. They received information packs on the leniency programme. Thanks to the involvement of radio broadcasters, the advertising was also broadcast free of charge by almost 20 largest nationwide and regional radio stations. The campaign took place in February and May 2009. It was also easier to contact the Office thanks to a special

helpline: (+48 22) 55 60 555. Calling the number, a participant of an illegal agreement can obtain all information on the programme. Anonymous entrepreneurs calling to the Office are able to learn, for example, if they meet the requirements to apply for leniency.

The campaign was a big success. Businesses started to contact the Office and more frequently asking for details about the leniency. The public knowledge increased. Nevertheless, the programme still requires promotion and clarifications. Therefore, the Office plans to continue educational and information activities concerning the leniency programme, especially through nationwide electronic media'. (Source: ICN, 2011)

2.5.5 The Bulgarian Commission of Protection of Competition (CPC)'s Promotion Mechanism/ Types of Competition Advocacy Messages

'The Bulgarian CPC organizes seminars and conferences for the business in order to raise their awareness of competition rules. For this purpose, The CPC has also adopted various guidelines. The Guidelines against Bid Rigging in Public Procurement Award Procedures aim to outline the main competition concerns in public procurement award procedures, the factors determining bid-rigging procedures, as well as the indicators of its presence. The CPC has also adopted a Decision Block exempting certain categories of agreements, decisions or concerted practices from the prohibition under Article 15 of the Law on Protection of Competition (LPC).

As part of the series of events marking its 20th anniversary in March 2011 the CPC held a seminar in order to enhance the knowledge of the business community about the new regime of block exemptions for certain categories of agreements prohibited under EU and national law, as well as on the recent developments of the CPC's leniency policy. The leniency program was presented to the seminar audience through an interactive stage play. After that the video of the play was uploaded on our website.

The CPC provides information about its activities to the general public and the mass media in observing the principle of transparency. For some of the decisions adopted by the CPC, press releases are drafted. The press releases are published on the CPC website and are sent by email to all major national media – including daily and weekly newspapers, magazines, TV and radio channels and news agencies. In addition, the press releases are published on the official website of the Commission. Besides CPC representatives participate in discussion, talk shows and interviews in the broadcast media. In 2007, the CPC received the Golden Key award as a Best Institutional Provider of Information to Citizens.

To the state and local authorities, CPC has adopted Guidelines for assessment of compliance of legislative and general administrative acts with competition rules. The documents go in line with the CPC's continuing efforts to strengthen its role in competition advocacy. Its aim is to foster competition culture, to enhance knowledge of competition rules and to encourage protection of competition. The Guidelines underline the benefits of having draft legislation reviewed in advance. Preliminary impact assessment will ensure accurate phrasing of competition relevant provisions and avoidance of potential distortion of competition'. (Source: ICN, 2011)

2.6 Initiatives undertaken by MyCC

MyCC's initiatives in introducing CA 2010 to the nation has taken many forms and formats such as seminars, briefings, speeches, engagements and meetings under its advocacy programmes/events. As of to-date, MyCC has conducted 201 advocacy programmes since 2011 as depicted in Table 2.2. Apart from this, multiple workshops, forums, roundtable sessions, training sessions, conferences, and conventions with various stakeholders were conducted by

MyCC from 2012 up to date classified as presentations. In addition, one important seminar targeting SMEs was conducted by MyCC recently in November 2016 in its effort promoting CA2010 and its benefits among SMEs. Interestingly, MYCC also fund research studies, market surveys and case studies of competition issues under the Research Grant Programme (RGP) as part of its initiative. MyCC also had launched several handbooks for public usage such as Competition Act 2010: Handbook for General Public, MyCC Handbook Help Us Detect Bid Rigging and others.

Table 2.2
Number of MyCC advocacy programmes

Year	Number of Advocacy Programmes	Accumulated
2011	30	30
2012	37	67
2013	30	97
2014	31	128
2015	48	176
2016	25	201

(Source: MyCC website)

2.7 Overview of Legislations of Interest

This nation's economy trails along on free enterprise with minimum restrictions on the exchange of goods and services. The prices of goods and services are based on the law of supply and demand. However, due to market competition, the tendency for sellers to hike prices for higher profit, alongside with unethical business practices and profiteering is a common phenomenon. Thus, consumers need to be protected via enactment of legislations. Some overviews of legislations of interest to this study are highlighted below:

2.7.1 Competition Act 2010 (CA 2010)

Fundamentally the two important clauses that apply to all groups of stakeholders are:

- Section 4 (2) defines the horizontal agreement as follows:
 - (a) fix, directly or indirectly, a purchase or selling price of any other trading conditions;
 - (b) share market or sources of supply;
 - (c) limit or control -
 - (i) production;
 - (ii) market outlets or market access;
 - (iii) technical or technological development; or
 - (iv) investment; or
 - (d) perform an act of bid rigging

Section 10 defines the abuse of dominant power by including the following:

- (a) directly or indirectly imposing unfair purchase or selling price or other unfair trading condition on any supplier or customer;
- (b) limiting or controlling;-
 - (i) production;
 - (ii) market outlets or market access;
 - (iii) technical or technological development; or
 - (iv) investment,to the prejudice of the customers;
- (c) refusing to supply to a particular enterprise or group or category of enterprises;

- (d) applying different conditions to equivalent transactions with other trading parties to an extent that may –
- (i) discourage new market entry or expansion or investment by existing competitor;
 - (ii) force from the market or otherwise seriously damage an existing competitor which is no less efficient than the enterprise in the dominant position; or
 - (iii) harm competition in any market in which the dominant enterprise is participating or in any upstream or downstream market;
- (e) making the conclusion of contract subject to acceptance by other parties of supplementary conditions which by their nature or according to commercial usage have no connection with the subject matter of the contract;
- (f) any predatory behaviour towards competitors; or
- (g) buying up a scarce supply of intermediate goods or resources required by a competitor, in circumstances where the enterprise in a dominant position does not have a reasonable commercial justification for buying up the intermediate goods or resources to meet its own needs.

However, CA 2010 had provided exemptions under Section 6 Individual Exemptions and Section 8 Block Exemptions. CA 2010 also provided exclusions under Section 4(2) and Section 10 for certain activities under the Second Schedule articulated as:

- (a) an agreement or conduct to the extent to which it is engaged in an order to comply with legislative requirement;

- (b) collective bargaining activities or collective agreements in respect of employment terms and conditions and which are negotiated or concluded between parties which include both employers and employees or organizations established to represent the interests of employers or employees;
- (c) an enterprise entrusted with the operation of services of general economic interest or having the character of a revenue-producing monopoly in so far as the prohibition under Chapter 1 and Chapter 2 of Part II would obstruct the performance, in law or in fact, of the particular tasks assigned to that enterprise.

In addition, CA 2010 stated that it does not include the following activities within its scope of commercial activities:

- (a) any activities, directly or indirectly in the exercise of governmental authority;
- (b) any activities conducted based on the principle of solidarity; and
- (c) any purchase of goods or services not for the purposes of offering goods and services as part of an economy activities.

Fundamentally, both Section 4 (2) and Section 10 apply to all groups of stakeholders but there are certain anti-competitive behaviour which carries a heavier tone with certain stakeholders groups. For example, government agencies are prone to Section 4(2)(d) as bid rigging takes place during its procurement activities of contract services. In order to assist government agencies in tackling issues arising from bid rigging activities, Competition commissions worldwide including MyCC have formulated guidelines in handling bidding or tendering.

SMEs, being small in nature are not within their reach to abuse power in the marketplace, hence Section 10 are hardly applicable to SMEs. SMEs should be concerned with anti-competitive behaviour under Section 4(2).

2.7.2 Consumer Protection Act 1999 (CPA)

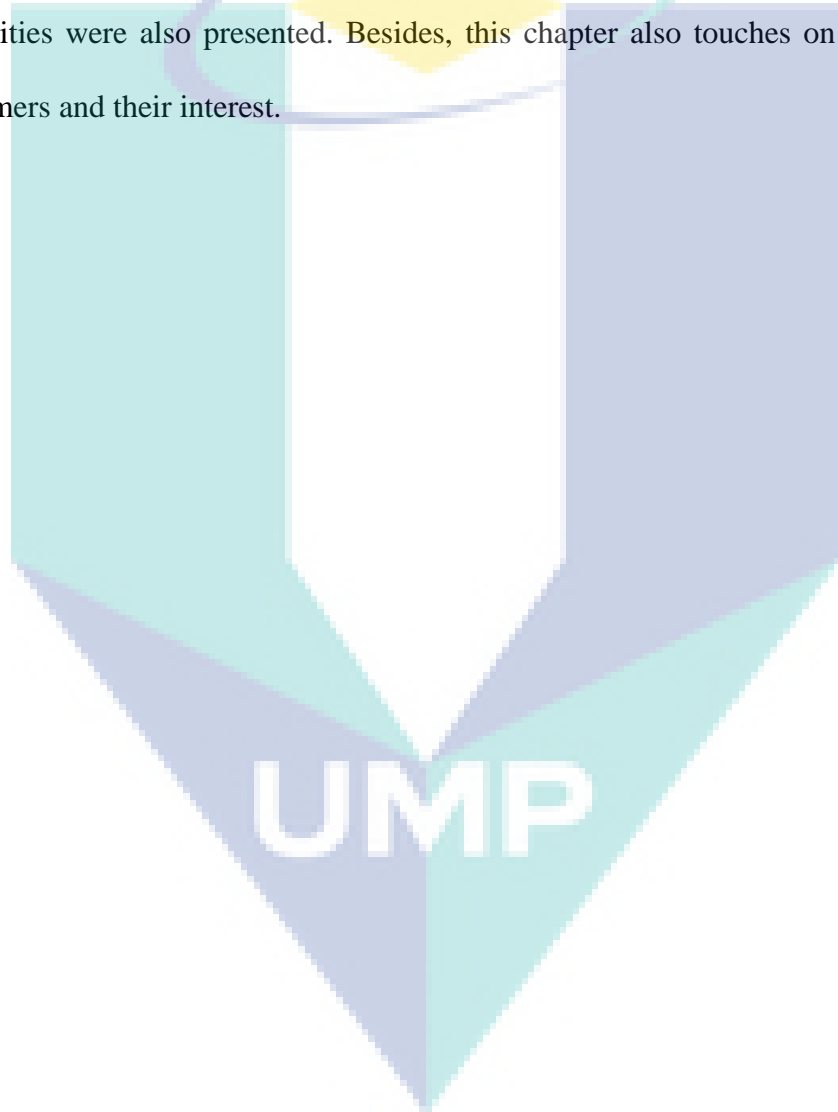
The main objective of CPA is to provide greater protection for consumers. Under this Act, consumer has the right to all products and services of basic necessity which includes food, clothing, education and others. Basically consumers are given the freedom to buy and consume products and services obtained through the right channels and at the right prices Consumers are also protected from products, services and manufacturing processes that are unsafe. Further, consumer has the right to claim damages from unfair practices from suppliers or manufacturers. Under this Act, unsatisfied consumer may approach the Consumer Redressal Tribunal for dispute or claim of less than RM10, 000.

2.7.3 The Price Control Anti Profiteering Act 2011 (PCAP)

PCAP was passed to protect consumers against unreasonable price increase of goods and services with the introduction and implementation of Goods and Services Tax (GST). PCAP stipulates that business entities (retailers and traders) cannot increase their net profit margin of goods and services from 2 January 2015 until 30 June 2016, which is extended until 31 December 2016. Any price increase need to be supported by appropriate documentations and justifications, otherwise, business entities are subjected to penalties under PCAP.

2.8 Summary of chapter

This chapter presents competition advocacy related studies pertaining to stakeholders' perception on advocacy activities particularly the MyCC Baseline Study 2013 and CCS Stakeholder Perception Survey 2012 as well as the best practices of worldwide competition advocacy activities. In addition, case studies of real time scenarios of worldwide competition advocacy activities were also presented. Besides, this chapter also touches on legislations that concern consumers and their interest.



CHAPTER 3

METHODOLOGY

3.1 Introduction

This chapter discusses the methods and procedures to be carried out by researchers. It includes the population of the study, sampling method and methods of data collection. This chapter also presents the theory, theoretical framework and hypotheses the study intends to test.

3.2 Respondent Groups

The respondent targeted in this study comprised of the following groups: (1) Business Community (Government Link Company (GLCs), Multinational corporations (MNCs), Small and Medium Enterprises (SMEs)), (2) Government Agencies, (3) Practitioners (Lawyers & Economists), (4) Students and (5) Consumers/Trade Associations.

The main stakeholder of interest of this study is SMEs. Nevertheless, based on the Stakeholder Perception Survey 2012 (Competition Commission of Singapore) and in tandem with MyCC's Strategic Plan for Competition Advocacy & Communication 2015-2017, the study covered the other stakeholder groups of interest as well.

Specifically, stakeholders such as GLCs and MNCs are important to be studied because of their activities and financial transactions that they churn in daily. Government agencies are included because government procurement is known to be a high risk area. As highlighted by the former Chief Executive Officer in her closing speech of the 1st MyCC Competition Law Conference – New Standards for Business in Malaysia, 'the exposure of the ill effects of bid-rigging in government procurement and the harm it poses to our economy'. The Consumer/Trade Associations plays an important role in guiding and disseminating information regarding CA

2010, MyCC and its activities among its members, therefore, need to be studied. CA 2010 effects both the legal constitutions and the nation's economy; hence, practitioners such as lawyers & economists become stakeholders of interest in this study. Last but not least students' representing the general consumer group is an influential stakeholder as they are the future leaders that could influence the direction of MyCC's work as well as the future consumers of the nations.

3.3 Theory of Change for Competition Advocacy

Competition Act 2010 affirms its purpose to promote and protect the process of competition leading to a bigger goal, the nation's economic development. Haniff & Nasaruddin (2013) calls out for more - social benefits as an integral part of the Act. Thus, the Act has a huge responsibility in contributing towards the overall socio-economic development of the nation. However, the marketplace competition may be hindered not only by private anticompetitive conduct, such as collusion among competitors, anticompetitive mergers, vertical arrangements in restraint of competition and unilateral abuse of dominant positions but also by public regulatory intervention and rule making. Such regulatory intervention may be warranted in sectors featuring extensive economies of scale, externalities or other market failures. On the other hand, such regulatory intervention may go beyond the strictly necessary needs and may impede competition in those sectors.

In countries with a competition law in force, private anticompetitive conduct can be effectively combated with the enforcement of such laws. In contrast, public regulatory intervention adopted in response to pressure from special interest groups or otherwise is perfectly legal as a rule, and therefore harder to be tackled. What competition authorities can do in such cases, firstly is to advocate the public authorities and the legislative power to adopt a regulatory

framework as competition-friendly as possible and secondly, to advocate the relevant regulatory agencies to reject unnecessary anticompetitive measures. Hence, it is no longer enforcement powers but the persuasiveness of arguments that matters in setting a level playing field for market players to compete in the marketplace.

Stucke (2008) believes that with competition advocacy, the market will allocate its resources leading to better productivity and economic growth benefiting consumers. Competition advocacy comprises of all activities undertaken by competition agencies to promote and protect competition, which do not fall under the enforcement category. On one hand, this implies that competition advocacy convinces other public authorities to abstain from adopting unnecessary anticompetitive measures which protects specific interest groups but harm overall public interest. It also implies helping regulatory agencies to clearly delineate the boundaries of economic regulation, i.e. to determine which markets are characterized by natural monopolies or other market failures, where regulation rather than competition should be the disciplinary force, and on the other hand, which markets are more susceptible to the competitive process. The Advocacy Working Group of the International Competition Network (ICN) (2002) summarized competition advocacy 'as those activities conducted by the competition authority related to the promotion of a competitive environment for economic activities by means of non-enforcement mechanisms, mainly through its relationships with other governmental entities and by increasing public awareness of the benefits of competition'. One example of advocacy activity highlighted by ICN (2002) is the outreach programs in the form of seminars, newsletters and through media to educate the general public. Therefore, the advocacy and outreach programs are proxy to education and training in this study.

In assessing the quality of competition advocacy activities, this study recommends the theory of change as the framework in reflecting the kind of impact aimed for (the ultimate outcome or goal), interventions (plans) to enact the changes, parties involved and status indicators. Mayne (2015)'s the theory of change model is incorporated with an example of competition advocacy, training of the Competition Act 2010 as illustrated in Figure 3.1.

According to Mayne (2015) impacts affects well-being and interventions are activities such as projects, programs and policies taken up to positively affects impact of interest. Impact pathways links the activities to impact in a causal manner given explicit assumptions of conditions of how and why under which the various links within the pathway expected to perform. The theory of change focuses first on the ultimate outcome, in this example, the well being changes aimed at is to improve the position of stakeholders in the market place. Then, interventions such as training on CA 2010 are set in leading to the ultimate outcome. The direct output of the activity undertaken is the goods and services which in this case is the innovative workshops and information. Reach and React deals with the target group, the stakeholders, intended to receive the intervention's good and services. Capacity includes the changes in knowledge, attitudes, aspirations, skills and opportunities of the target group who have received the intervention's good and services. Behavior changes are the actual practices that took place, for instance, when stakeholders discard bad practices involving anti-competitive activities and adopts good practices or the correct way of conducting business transactions. Stakeholders directly benefits by enhancing resource allocations and productivity. Well-being changes are defined as 'the longer-term cumulative improvements in the overall well being of individual beneficiaries, which is improved status of stakeholders in the market competition.

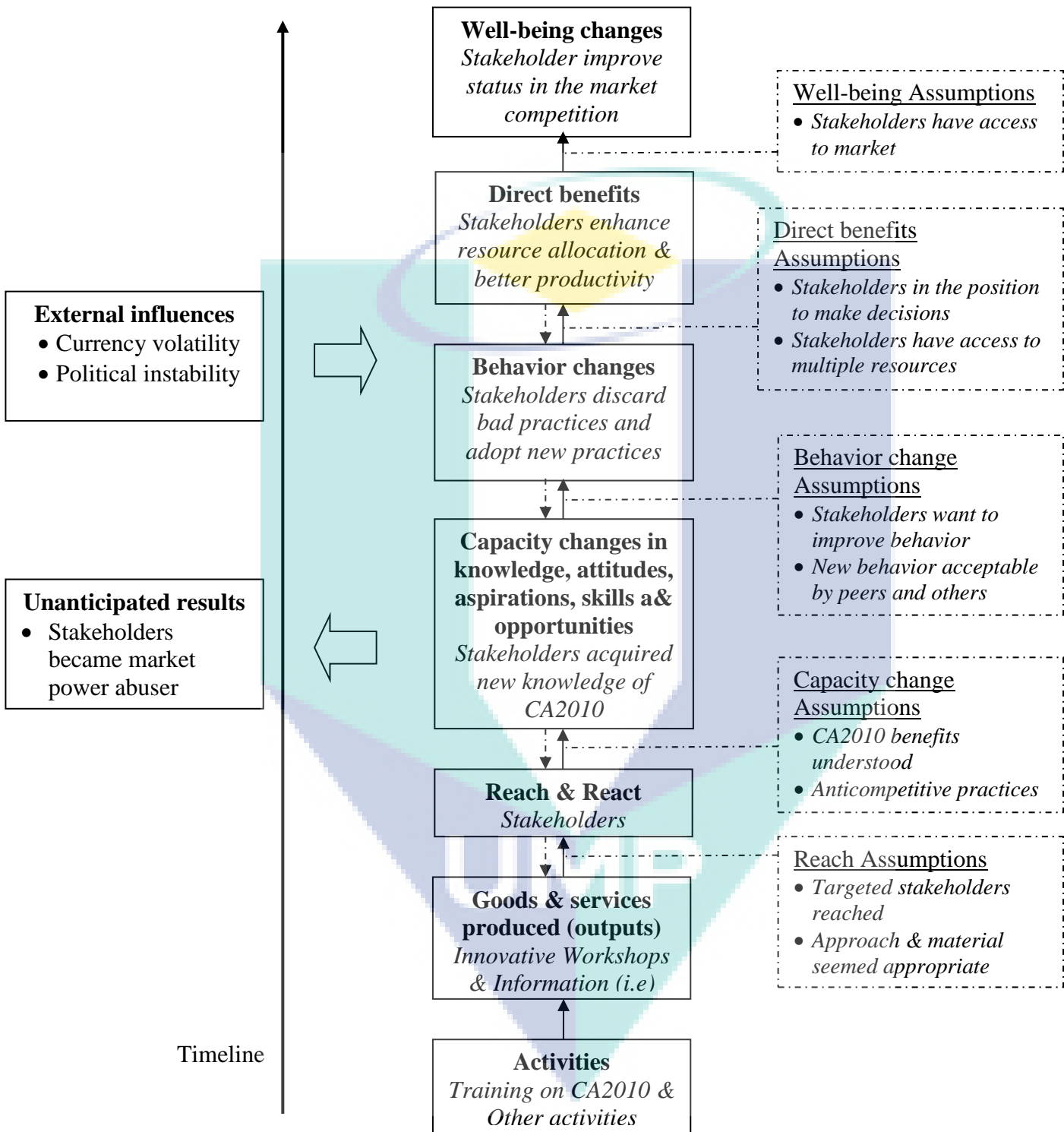


Figure 3.1
Theory of Change for Competition Advocacy
(Source: Basic Generic Theory of Change, Maine (2015))

3.4 Theoretical Framework

This study is descriptive in nature. As shown in Figure 3.2 , this study would like to associate the Quality of Advocacy and Outreach of MyCC and the Level of Awareness and Perception of stakeholders to the six issues; (1) CA 2010 (knowledge), (2) role of MyCC, (3) enforcement effectiveness (Quality) of MyCC, (4) general state of market competition in Malaysia, (5) company practices, attitudes and culture of compliance with CA 2010, (6) source of information on competition and mode of information dissemination of CA 2010. Stakeholders are represented by Business Community (Government Link Company (GLCs), Multinational corporations (MNCs), Small and Medium Enterprises (SMEs)), Government Agencies, Practitioners (Lawyers & Economists), Students and Consumers/Trade Associations.

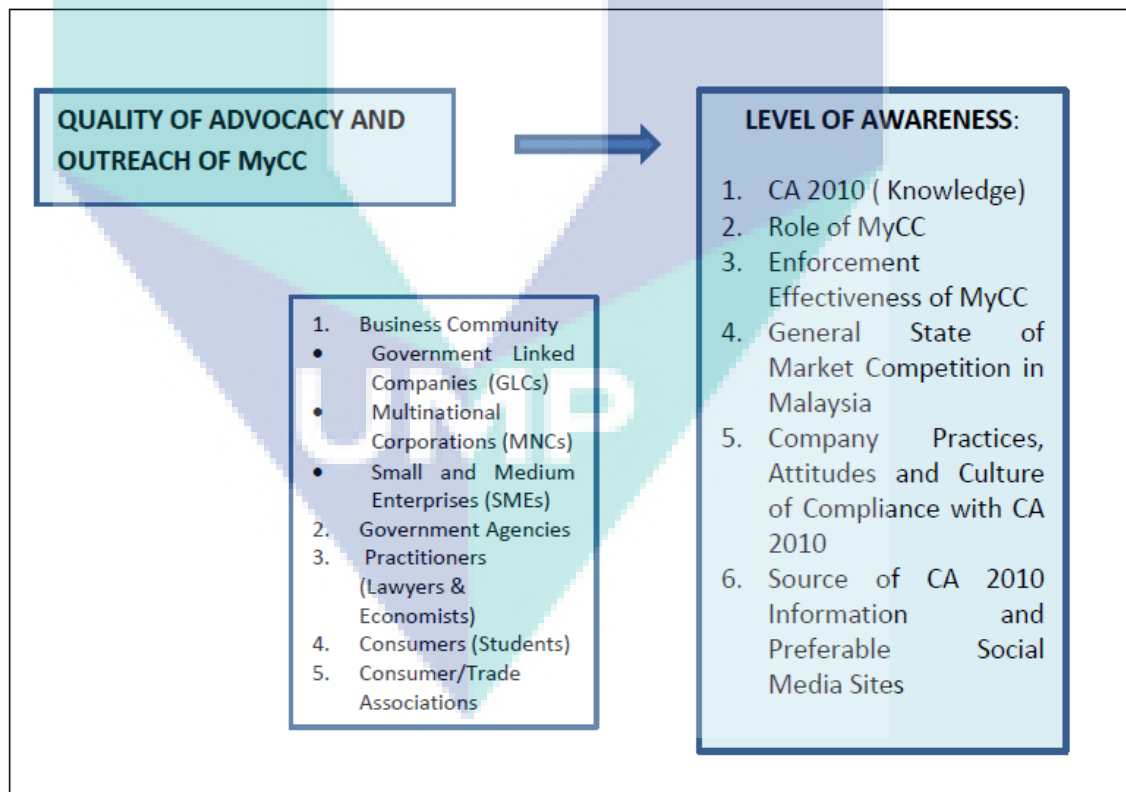


Figure 3.2
Theoretical Framework

3.5 Hypotheses Development

3.5.1 Level of awareness of CA2010

Studies have shown that education and training are important elements in raising awareness and knowledge on the subject matters being researched on. To name a few, Seay, Carswell, Wilmarth & Zimmerman (2014) in mortgage fraud of the housing counselling industry, Yap & Ineson (2010) in the study of human immunodeficiency virus (HIV) within the Asian hospitality industry, Hawkins, Madsen & Ulhoi (2001) in the environmental and resource management study and Yen & Chou (2000) in the field of internet security. Likewise, it is generally recognized that the credibility and convincing power of competition authorities through its advocacy and outreach activities educating and training the general public raises the level of awareness and perception about the CA 2010 in terms its knowledge among the stakeholders. There is an important component to competition advocacy, which is not exclusively directed at public authorities and the legislative power but directed at economic agents and the public at large. It comprises of all efforts intended by competition authorities to make other government entities, the judicial system, economic agents and the public at large to be more familiar with the benefits of competition as well as with the role of competition law and policy in promoting and protecting welfare enhancing competition whenever possible. This implies a variety of activities to be pursued among which includes seminars for business representatives, lawyers, judges, academicians, etc. on specific competition issues, press releases about current enforcement cases, the publication of annual reports and guidelines setting out the criteria followed to resolve competition cases, economic studies of competition issues including the impact of regulation in markets and industries, are just a few examples.

However, Office of Fair Trading (OFT) (2011a) showed 35% of stakeholders interviewed do not know about the prohibited anti-competitive activities of the competition law. The 65% stakeholders who responded knowing the answer indicated price fixing as the main prohibited anti-competitive activity when in fact there are many forms of anti-competitive conduct stipulated by the competition law as shown in Figure 3.3.

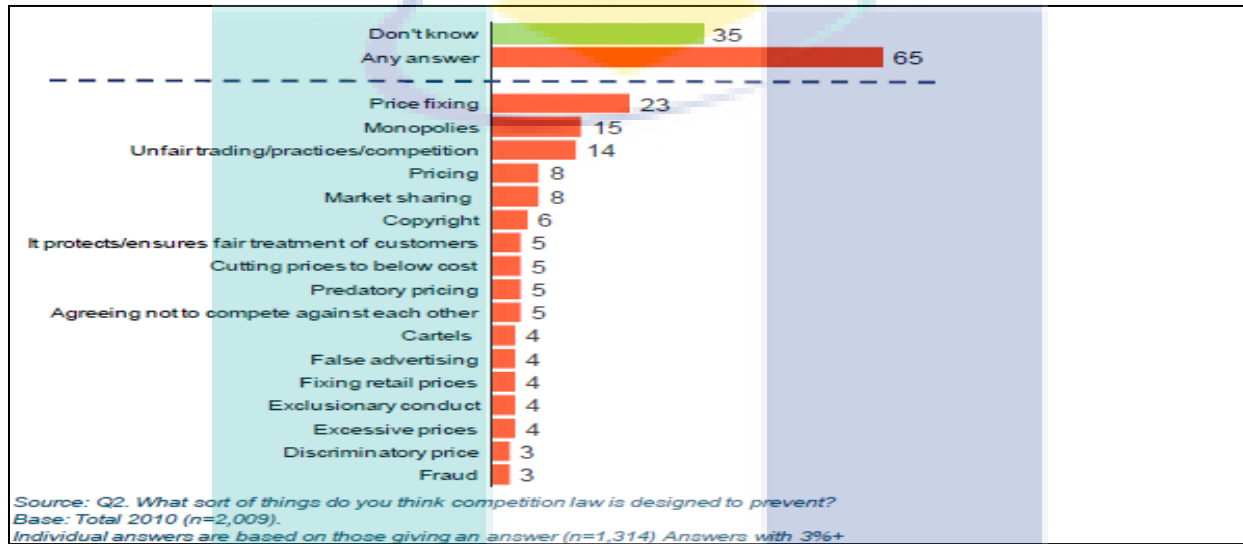


Figure 3.3
 Competition Law designed to prevent anti-competitive activities
 (Source: OFT 1270, 2011a, page 14)

This study, therefore, is interested in examining the relationship between quality advocacy and outreach of MyCC and the level of awareness (knowledge) of the CA 2010 by developing the following hypotheses:

H₁: The higher the quality advocacy and outreach of MyCC, the higher the level of awareness (knowledge) of the CA 2010 among the stakeholders.

3.5.2 Level of awareness of the role of MyCC

OFT (2011b) strongly propagated knowledge and awareness of the basic concepts of competition law is important. Further, OFT (2011b) also defines that ‘knowledge’ inclusive of general knowledge about OFT role including its guidance, tools and specific interventions/investigations and the detailed knowledge about competition law including the anticompetitive behavior types is the first and foremost element in competition compliance. Figure 3.4 indicates that generally smaller size businesses (33%) are less knowledgeable than bigger size businesses (54%) when surveyed on the role of OFT in enforcing competition law. Similarly, it is hoped that MyCC’s advocacy and outreach activities educating and training the general public raises the level of awareness about its own role in administrating the Competition Act 2010.

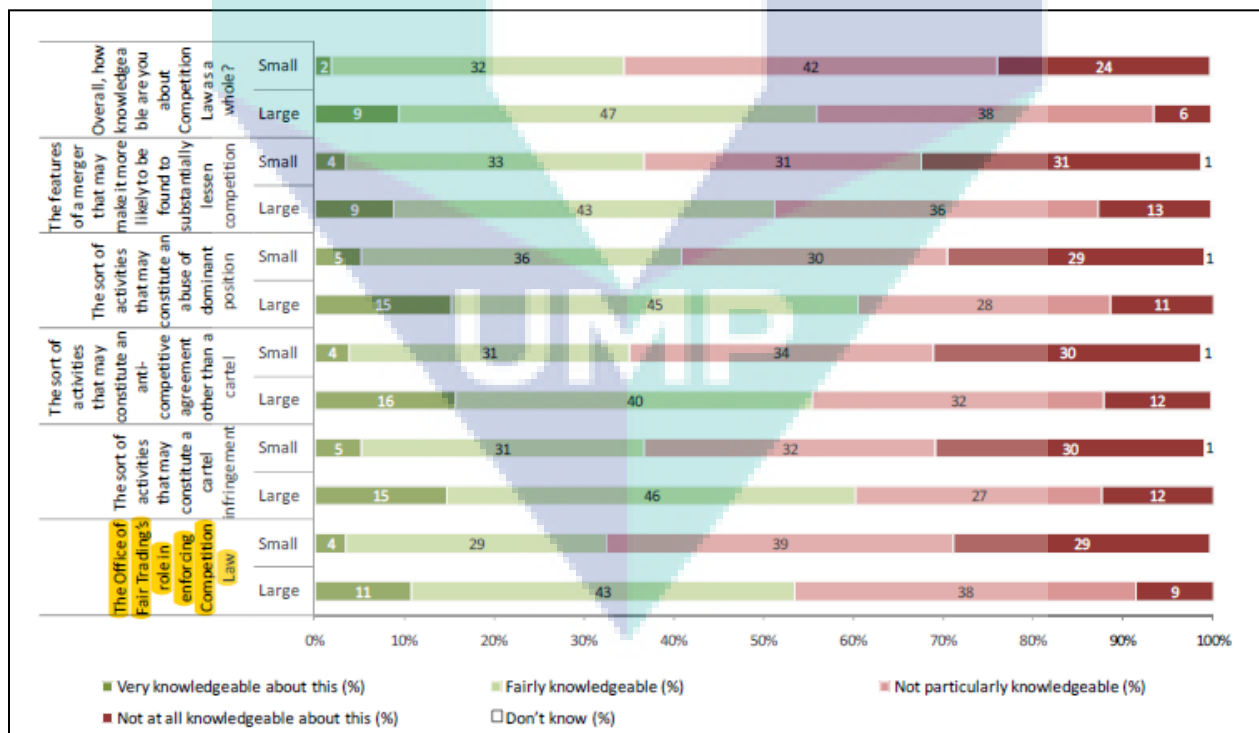


Figure 3.4 Knowledge of the basic aspects of competition law by company size (Source: OFT 1391, 2011b, page 54)

Therefore, this study intends to examine the relationship between quality advocacy and outreach of MyCC and the level of awareness (knowledge) of its role by developing the following hypotheses:

H₂: The higher the quality advocacy and outreach of MyCC, the higher the level of awareness (knowledge) the role of MyCC.

3.5.3 Level of perception of enforcement effectiveness (Quality) of MyCC

The effectiveness of competition advocacy towards the overall regulatory system also enhances the effectiveness of the enforcement of the competition law. The perceived benefits of the enforcement of the competition law among contractors were studied by OFT (2010). As shown in Figure 3.5, the study indicated that almost 80% contractors perceived enforcement activities helps deter bad business practices. Further analysis as depicted in Figure 3.6 showed that contractors having had previous involvement with competition regulator such as OFT had more competition law training, for example 51%.

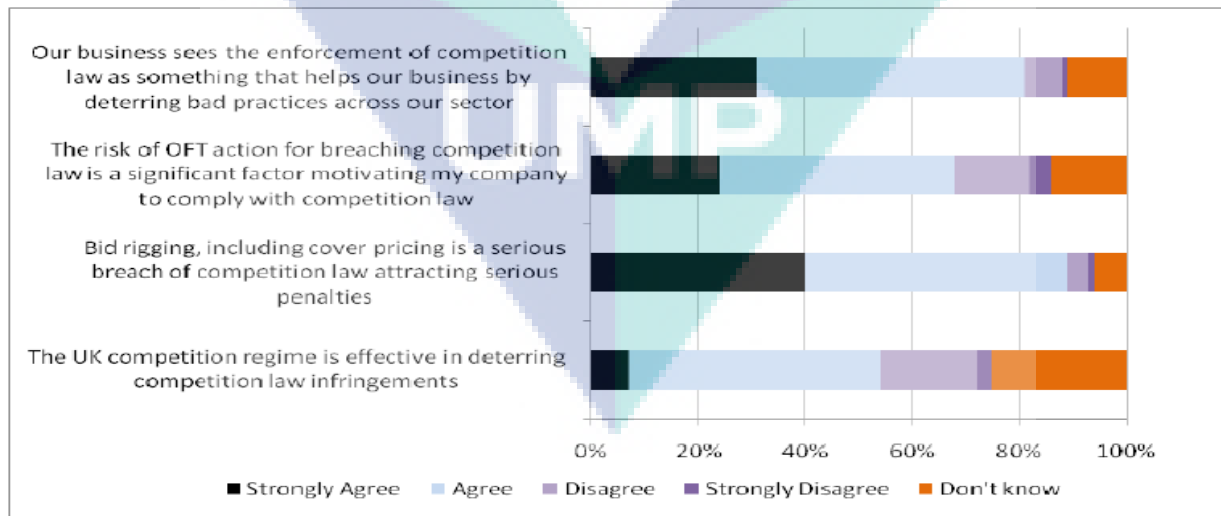


Figure 3.5
Perceptions of contractors on the listed statements
(Source: OFT 1240, 2010, page 45)

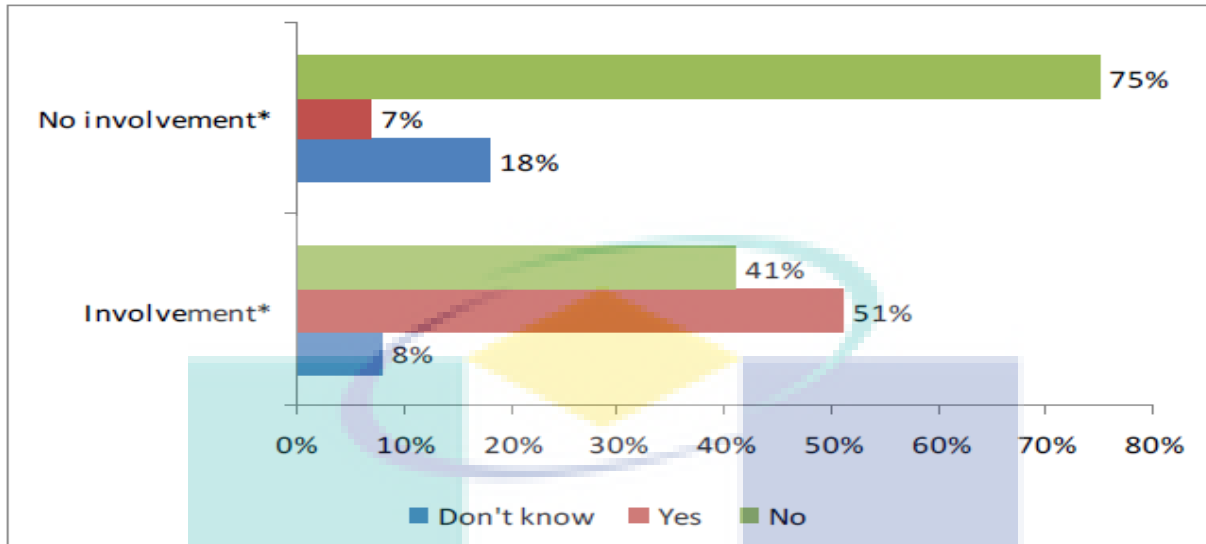


Figure 3.6
 Percentage of contractors involved in competition law training (split between having had previous involvement with OFT)
 (Source: OFT 1240, 2010, Annexe B)

Therefore, the following hypothesis is formulated to study the relationship between quality advocacy and outreach of MyCC and the level of perception of the enforcement effectiveness (Quality) of MyCC:

H₃: The higher the quality advocacy and outreach of MyCC, the higher the level of perception of the enforcement effectiveness (Quality) of MyCC.

3.5.4 Level of perception of general state of market competition in Malaysia

According to OECD, state of competition affects innovations at the market place. The state of competition is evidenced by market concentration based on market share as well as by the antitrust framework and network policies of deregulated industries. The antitrust framework encompasses competition policies and its scope enforced by competition authority of a nation. In a study by Hoj (2007), as shown in Figure 3.7, OECD countries' general competition policy

framework has been improving with further improvement needed in promoting competition within the network industries.

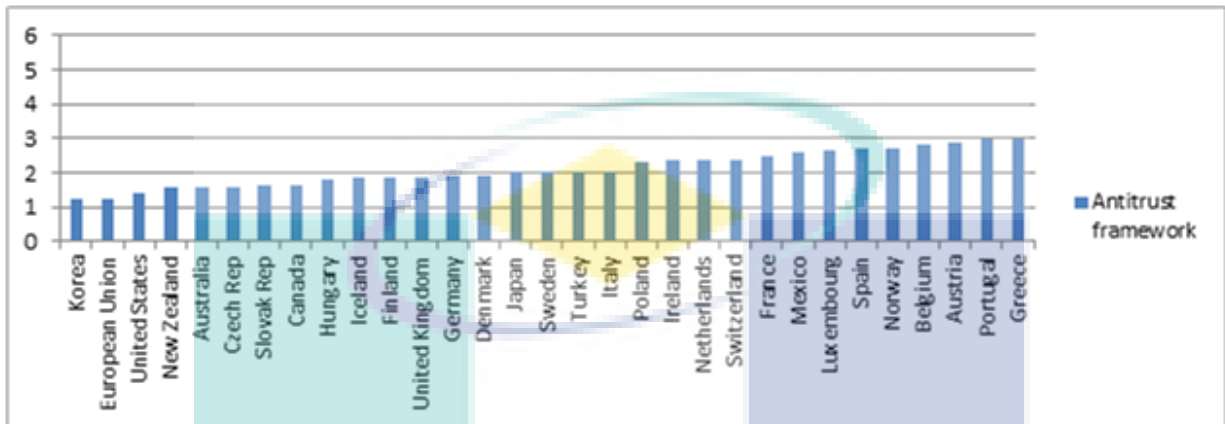


Figure 3.7
Antitrust Framework indicators for OECD countries with scale 0 to 6 (best to worst)
(Source: Hoj (2007), OECD Department Working Papers, 568, OECD Publishing)

Similarly, this study is interested to examine the relationship between the general antitrust framework focusing on the quality advocacy and outreach of MyCC and the level of perception of the general state of market competition in Malaysia by deriving the following hypotheses:

H₄: The higher the quality advocacy and outreach of MyCC, the higher the level of perception of the general state of market competition in Malaysia.

3.5.5 Level of perception of company practices, attitudes and culture of compliance with CA2010

MyCC's advocacy and outreach programs in the form of education and training contribute in establishing a competition culture which is perhaps best characterized by the attitudes and practices of consumers and producers. The consumer attitude and practices of easily surrendering to monopolistic abuse of dominant positions, and producers being complacent with

the status quo of their privileges are typical of a weak competition culture. On the other hand, consumers actively looking for better options and producers working hard in providing more and cheaper options towards the consumer market are characteristic of a strong competition culture. Also, how these economic agents perceive the competition rules – i.e. what is allowed and what is not – reinforces competition culture. Thus, all educating and training efforts of competition authorities to make these rules known and understood are positive contributions. Likewise, public authorities' perception of the long-run benefits of competition for the society as whole, even when the competitive process is being difficult in capturing the interest groups in the short run, is an important ingredient of a competition culture. Last but not least, a judicial system more familiar with competition principles and less focused on procedural shortcomings is essential for an effective enforcement of the competition laws, thus enhances competition culture of compliance with CA2010. In a preliminary study, the Australian Competition and Consumer Commission (ACCC) tried to measure the level of compliance by calling 999 businesses to self - estimate the level of actual compliance and culture of compliance but finds it's considerably difficult (ACCC, 2005). This study intends to ascertain the relationship between quality advocacy and outreach of MyCC and the level of perception of the Company practices, attitudes and culture of compliance with CA2010, therefore the hypothesis is:

H₅: The higher the quality advocacy and outreach of MyCC, the higher the level of perception of the Company practices, attitudes and culture of compliance with CA2010.

3.5.6 The sources of CA 2010 information and preferable social media sites

A study in UK, OFT (2011) highlighted that 89% of respondents are aware of the sources of information on competition with 11% not knowing them as depicted in Figure 3.8. The study

also indicated that OFT is the most sought after for information on competition by the finance sector. In Malaysia, CA2010 had given a new exposure to the business entities in its effort to provide a fair trading platform by dictating its requirements and conditions covering both the vertical and horizontal agreements prohibited in business transactions. MyCC is tasked upon to disseminate information on CA2010 through its advocacy and outreach program throughout the nation's society.

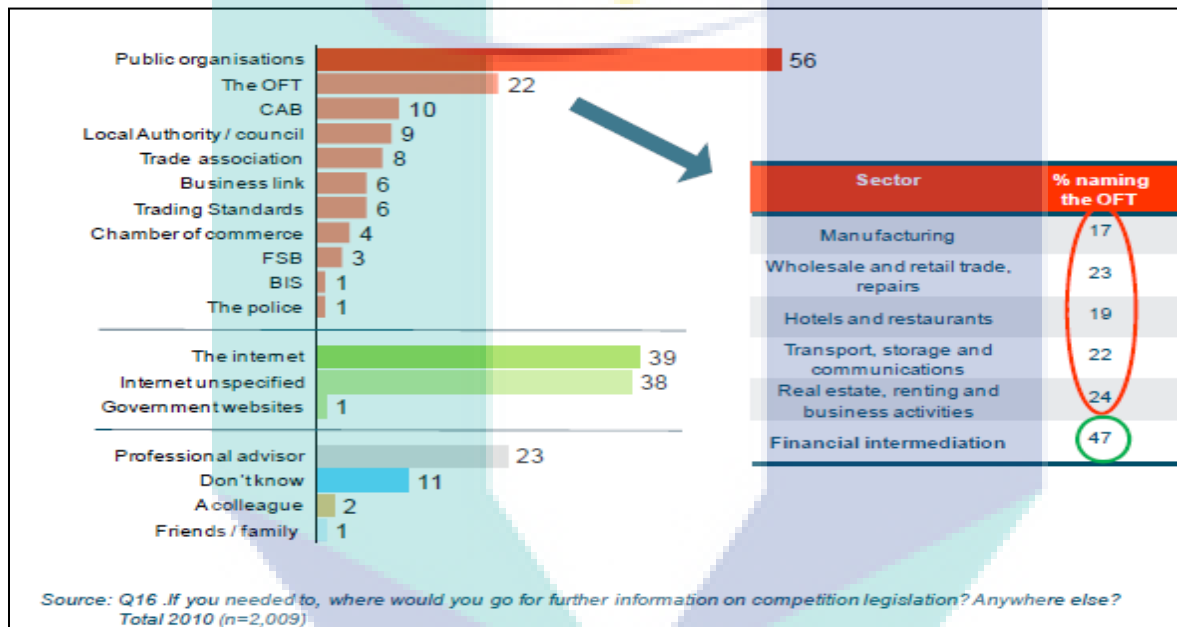


Figure 3.8
Sources of information about competition legislatures
(Source: OFT 1270, 2011, page 27)

This study also intends to find out the preferable social media sites of the Malaysian consumers and businesses to enable MyCC to adopt and disseminate information effectively. Boer, Arendsen & Pieterse (2016) investigated the information sources and communication channels that businesses utilized pursuing tax related information from the government. Based on 1,218 respondents of small to medium sized businesses, they found out that businesses use multiple combinations of sources and channels in their information seeking process as shown in

Figure 3.9 and Figure 3.10. For example, The Netherlands Tax and Customs Administration (NTCA) and tax advisors were the two top most sources sought after through phone calls and website search being the two most channels used by respondents during the information seeking process. Thus, these findings provide insights to government in providing effective services to businesses.

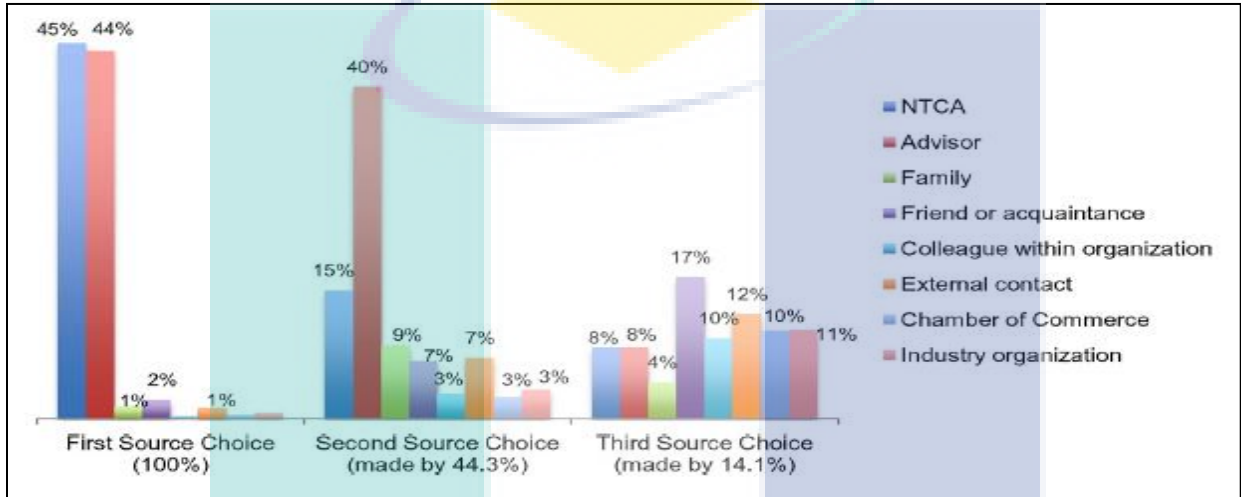


Figure 3.9
Chosen sources during information seeking process
(Source: Boer, Arendsen & Pieterse (2016))

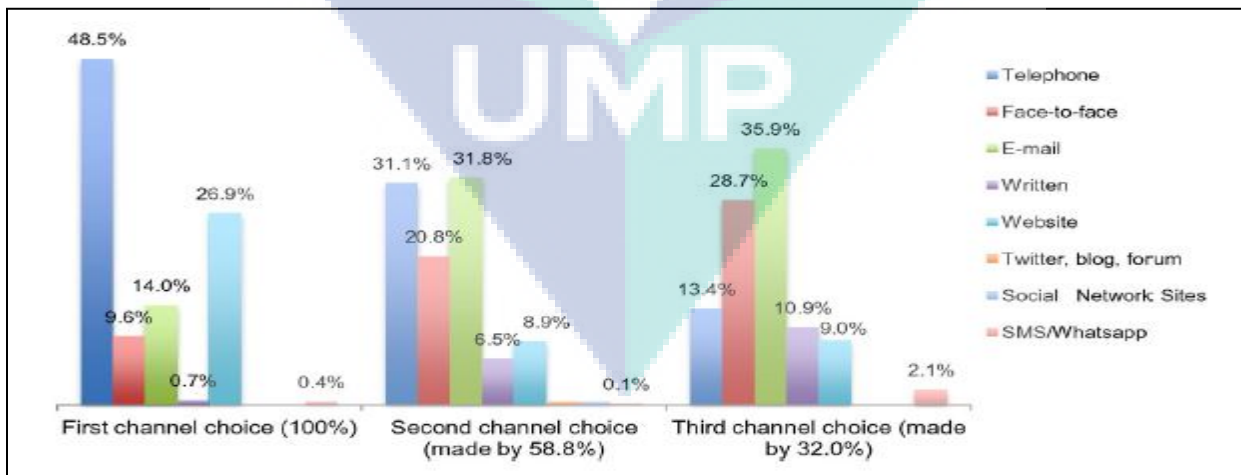


Figure 3.10
Chosen channels for the first consulted source
(Source: Boer, Arendsen & Pieterse (2016))

3.6 Research Design

The primary research methodology of this study utilized the questionnaire e-survey (Appendix 5) and focus group discussions (FGDs). In addition, this study employed independent enumerators to collect data via printed questionnaires from the field.

Questionnaire was uploaded on the MyCC's website in the form of e-survey (Appendix 6) for respondents to answer. The e-survey was accompanied with a cover letter disclosing the goals of this survey to give respondents a better understand of the study in order to attract respondents to continue participating in it. It is specified in the cover letter that each respondent is required to answer the e-survey only once to avoid redundancy of participation in this study.

FGDs were conducted in a number of states in Malaysia starting with the first discussions held at the MyCC head office. This was followed by FGDs in USM, Penang; UMP, Pahang and Wisma SEDIA, Sabah. The input gathered from these FGDs provided an in-depth understanding of the reasons for the resulted awareness and perception level gathered from the primary questionnaire survey, thus, adding value in recommending the necessary action plans for future undertakings.

3.7 Sampling Method

An e-survey questionnaire was used in this study to answer the research questions. A total of 7,500 respondents were randomly selected across the stakeholders groups using convenience sampling method to participate in this survey with the expectation of 1,500 respondents actually answering the e-survey at 20% response rate. Previous research has shown that in studies of this nature, the response rate is 10 - 20% (June & Mahmood, 2011; Ramayah,

Yan, & Sulaiman, 2005). The breakdown of the population and sample of stakeholders expected to participate in the study is as shown in Table 3.1.

A combination of several efforts were undertaken to ensure the targeted 1,500 respondents can be achieved:

- (a) Email blasting was done for the stakeholders groups, SMEs, the Malaysian Bar Council and Trade Associations. These emails contained the e-survey link for the respondents to participant in the study. [Appendix 7]
- (b) Emails with the e-survey link were sent out to significant individuals heading organizations representing the stakeholders groups, for instance, Khazanah National Berhad, Federation of Malaysian Manufacturers (FMM), Suruhanjaya Syarikat Malaysia (SSM), SME Corporation Malaysia, Dewan Akauntan, Dewan Perniagaan Melayu Malaysia and The Malaysian Bar Council. [Appendix 8]
- (c) FGDs participants were approached to participate in the e-survey and their assistance were also sought to share the link with their employees and/ or members of their associations. [Appendix 9]
- (d) MyCC assisted in emailing the e-survey to the stakeholders with whom they have dealt with. To avoid repeated emails, the participants were only encouraged to answer “once” in case of cross postings.
- (e) MyCC collected data via printed questionnaires given out to participants attending seminars conducted by MyCC.
- (f) Independent enumerators were employed to collect data via printed questionnaires given out to potential participants.

Table 3.1
E-survey population and samples

No	Respondents	Information	Sent Sample	Target Sample
1	Government Link Company (GLCs)	General Directories	500	100
2	Multinational corporations (MNCs)	General Directories	500	100
3	Small and Medium Enterprises (SMEs)	SME Directory	750	150
	• Manufacturing	-as above-	750	150
	• Services	-as above-	750	150
	• Agriculture	-as above-	750	150
	• Mining & Quarrying	-as above-	750	150
	• Constructions	-as above-	750	150
4	Government Agencies	Government Agencies websites	500	100
5	Practitioners (Lawyers & Economists)	Malaysia Bar website	500	100
6	Students	University websites	500	100
7	Consumers/Trade Associations	ROS	500	100
	Total		7,500	1,500

For the FGDs, a total of 140 respondents across the stakeholders groups were expected to participate with emails of invitation sent to 35 respondents in each group based on the assumption that 20% rate will be received and thus each FGD will be attended by seven respondents. With respect to the number of participants in the sessions, the usual approach is to use groups of moderate size, six to ten people. A bigger size would require the moderator to play a more active role (Freitas, H.; Oliveira, M., Jenkins, M. and Popojoy, O. (1998). Breakdown of respondents in accordance to type of stakeholders is as shown in Table 2.2. The FGDs took place at four locations representing each region: (1) MyCC, Kuala Lumpur (central region), (2) USM, Penang (northern region), and (3) UMP, Pahang (east coast region) and (4) Wisma SEDIA, Sabah (East Malaysia). Sabah was chosen this time as Sarawak had been chosen as respondent in the previous Baseline Study 2013.

Table 3.2
FGDs population and samples

Respondents	KL (26/07/16)	Penang (15/08/16)	Pahang (16/08/16)	Sabah (22/08/16)	Total
Government Link Company (GLCs)	5	5	5	5	20
Multinational corporations (MNCs)	5	5	5	5	20
Small & Medium Enterprises (SMEs)	5	5	5	5	20
Government Agencies	5	5	5	5	20
Practitioners (Lawyers & Economists)	5	5	5	5	20
Consumers (Students)	5	5	5	5	20
Consumers/Trade Associations	5	5	5	5	20
Total	35	35	35	35	140

3.8 Study Questionnaire

The questionnaire consists of 72 questions, with Part I covering demographics with specific sections provided to each stakeholder and with Part II covering the main survey with seven main sections namely;

Section A. Level of awareness about the MyCC

Section B. Level of awareness about the CA 2010

Section C. Level of knowledge about the CA 2010

Section D. Perception of general state of market competition

Section E. Company practices, attitudes and culture of compliance with the CA 2010

Section F. Perception of MyCC enforcement effectiveness

Section G. Quality of MyCC outreach and advocacy

The questions were adapted from the previous awareness surveys both from Malaysia and Singapore as depicted in Table 3.3. The questionnaire also contains five open-ended questions giving an opportunity for respondents to share openly their views on related issues being asked.

3.9 Measurement of Variables

As shown by Table 3.3, the Section of the survey, no of questions and source of the question for variables of study.

Table 3.3
Section of the survey, no of questions and source of the question for variables of study.

Sections of the survey	No. of questions asked	Source
Demographics information	30	CCS Stakeholders Perception Survey 2012 & self develop
Section A Q31 – Q33 Q34 – Q35	5	Baseline Study 2013 CCS Stakeholder Perception Survey 2012
Section B Q36, Q37 & Q44 Q38 – Q43	9	Baseline Study 2013 CCS Stakeholders Perception Survey 2012 & self develop
Section C Q45 – Q51 Q52a & Q52c Q52b Q52d	8	Baseline Study 2013 ACCC Cartel Deterrence & Detection 2009 CBC Competitor Collaboration Guidelines OFT Company Directors & Competition Law 2011
Section D	2	CCS Stakeholder Perception Survey 2012
Section E	7	CCS Stakeholder Perception Survey 2012
Section F	6	CCS Stakeholder Perception Survey 2012
Section G	5	CCS Stakeholder Perception Survey 2012

The level of awareness of MyCC and CA 2010 was measured by binary (yes or no) method which requested the respondents to state whether they have heard about MyCC / CA 2010 before this. In addition, the respondents also need to state in overall how much they know

about the MyCC / CA 2010 in the scale of 5 which highest is a lot to a never heard of it. (Section A (MyCC) and B (CA 2010) of the questionnaire).

The level of knowledge about CA 2010 among stakeholders was measured by providing the anti-competitive practices for respondents to indicate if they are in know of the practices or not. Further, these practices were measured at state and sector level. Included here is the abuse of dominant position measured at state and sector level. The level of knowledge about CA 2010 was also measured by asking respondents to indicate the outcome of breaching the CA 2010. Interestingly, scenario based questions were also presented to respondents in measuring their level of CA 2010 knowledge (Section C of the questionnaire).

Perception of general state of market competition was measured by two questions likert scale of 5. Respondents were asked if they find that Malaysian businesses are colluding with each other, thus, having only few players with lack of market competition (Section D of the questionnaire).

Company practices, attitudes and culture of compliance with CA 2010 was measured by company's Competition Compliance Programs and training reviewed regularly. Leadership/Management support was also emphasized in ascertaining compliance towards CA 2010 as well as having an effective whistle-blowing program in 5 likert scale point (Section E of the questionnaire).

Perception of MyCC's enforcement activities was measured in 5 likert scale (strong disagree to strong agree) by attributes such as effective in taking actions by having rigorous analysis and decision-making process; taking into consideration of feedback of affected parties; making positive impact on the market and effectively promotes strong competitive culture among business entities (Section F of the questionnaire).

The quality of MyCC's outreach and advocacy was measured by how effective the programs in reaching out to the stakeholders; provides sufficient information to public; decisions taken by MyCC easily accessible; adequate, consistent and clear messages to stakeholders and effective outreach sessions. All this questions measured with likert scale of 5, strong disagree to strong agree (Section G of the questionnaire).

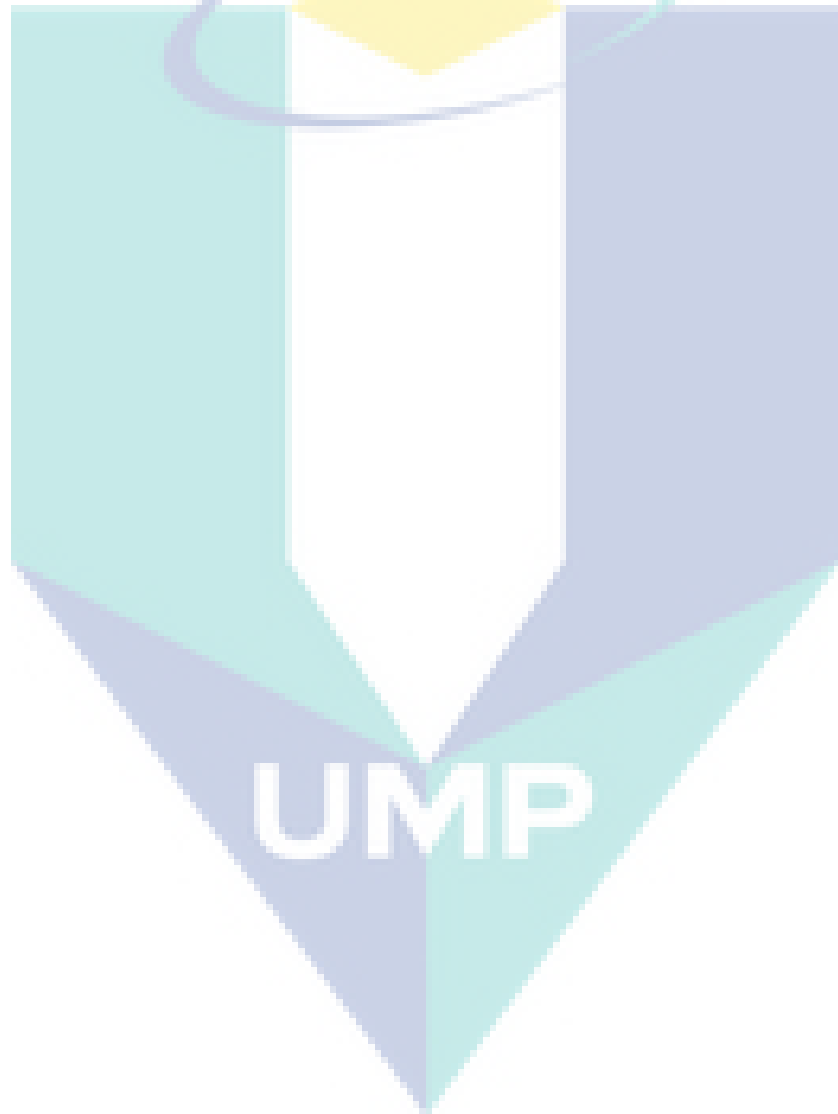
3.10 Summary of chapter

This chapter presents the underlying theory and the theoretical framework together with reviews of literature illustrating the relationships between the independent variable and dependent variable alongside with the various stakeholders. These reviews present the relationships between the quality advocacy and outreach of MyCC and CA2010 (knowledge); role of MyCC; enforcement effectiveness (Quality) of MyCC; the general state of market competition in Malaysia; company practices, attitudes and culture of compliance with CA2010. The sources of information on competition legislatures and the preferable social sites by stakeholder groups are also looked into. In a nutshell, this chapter demonstrates the influence of MyCC's advocacy and outreach programs on the stakeholder groups on the various aspects of CA 2010.

This chapter also explained the methodology and research design undertaken by this study by focusing on the sampling method and data sources which is derived from the e-survey and FGD.

This study adopted the convenience sampling to select respondents for each stakeholders group for both e-survey and FGDs. Emails with e-survey link was blast off directly to stakeholders targeted in this study. Additionally, emails with e-survey link were sent out individually to personnel leading core organizations of the stakeholders groups with the

anticipation that this information will be cascaded downstream. MyCC and the FGDs participants from all locations were also approached to disseminate the e-survey link among their contacts/employees/members of their respective organizations. The assistance of MyCC was also seek to collect data via printed questionnaires during the seminars they conducted. Lastly, independent enumerators were employed to collect data via printed questionnaire from the field as well.



CHAPTER 4

ANALYSIS

4.1 Introduction

This chapter presents the results of the quantitative data analysis of the e-survey participations together with qualitative data analysis based on findings derived from the focus group discussions conducted at all four locations. The quantitative analysis also includes the hypotheses testing. This study believes that the combination approach of both quantitative and qualitative utilized would give an in-depth understanding of the study objectives. The last section of this chapter is dedicated solely for quantitative data analysis of SMEs.

4.2 Data Analysis

The software application utilized to analyze data is SPSS (Statistical Package of Social Science). The data obtained from the questionnaire was analyzed in two forms; descriptive and inferential statistics.

Descriptive statistics is used to describe the basic features of the data collected. Descriptive statistics provided summarizes of the demographics of the sample and the measures used. Together with graphic analysis, the basis of virtually every quantitative analysis of the data was captured.

Inferential statistics is used in making inferences about the population from observations and analysis of the sample. With inferential statistics, this study is able to reach conclusions that extended beyond the immediate data collected.

4.3 Study Participants

4.3.1 E-survey Participants

The respondents targeted for e-survey in this study comprised of the following stakeholder groups: (1) Business Community (Government Link Company (GLCs), Multinational corporations (MNCs), Small and Medium Enterprises (SMEs), (2) Government Agencies, (3) Practitioners (Lawyers & Economists), (4) Students and (5) Consumers / Trade Associations.

A total of 509 responses were received but only 463 responses were usable. 46 responses were rejected due to majority of the sections of the questionnaires were not answered by the respondents. Table 4.1 shows the usable respondents by stakeholder groups.

Table 4.1
Usable respondents by stakeholder groups

Group of Respondents	No of Respondents
Government Link Company (GLCs)	27
Multinational Corporations (MNCs)	44
Small and Medium Enterprises (SMEs)	154
Government Agencies	144
Practitioners (Lawyers & Economists)	31
Students	57
Consumers / Trade Associations	6
Total	463

4.3.2 Focus Group Discussions (FGDs) Participants

The FGDs took place at four locations representing each region on the respective dates as shown in Table 4.2. The actual number of participants at the FGDs totally to 48 participants exceeds the 20% expected response rate by 20 participants. Based on the initial 140 expected respondents for this study, the expected respondents would only be 28 participants at 20% response rate.

Table 4.3 presents the actual number of FGD participants representing their respected entities/organizations across all four locations. The most number of participants representing the most number of entities/organizations was at the FGD in Pahang with 16 participants having represented 14 entities/organizations. This was followed by FGD in Sabah with 14 participants representing seven entities/organizations. Both FGDs at KL and Penang were attended by nine participants representing seven and eight entities/organizations respectively.

Table 4.2
Actual number of FGD participants

Respondents	KL Central Region (26/07/2016)	Penang Northern Region (15/08/2016)	Pahang East Coast Region (16/08/2016)	Sabah East Malaysia (22/08/2016)	Total
Government Link Company (GLCs)	0	0	2	0	2
Multinational corporations (MNCs)	0	1	0	0	1
Small and Medium Enterprises (SMEs)	0	1	8	2	11
Government Agencies	5	3	5	8	21
Practitioners (Lawyers & Economists)	1	0	0	0	1
Students	0	0	0	0	0
Consumers/Trade Associations	3	4	1	4	12
Total	9	9	16	14	48

Table 4.3
Actual FGD participants at four locations

KL Central Region (26/07/2016)	Penang Northern Region (15/08/2016)	Pahang East Coast Region (16/08/2016)	Sabah East Malaysia (22/08/2016)
Ministry of International Trade and Industry (MITI) (1 rep)	Consumer Association Penang (CAP) (1 rep)	Petronas Chemical MTBE Sdn Bhd (1 rep)	Kolej Teknikal Yayasan Sabah (1 rep)
Economic Planning Unit (EPU) (1 rep)	KPMG (1 rep)	BASF Petronas Chemical Sdn Bhd (1 rep)	Steel Industries (Sabah) Sdn Bhd (2 reps)
Universiti Putra Malaysia (UPM) (1 rep)	Smartlink (1 rep)	Malaysian Association of Hotels (1 rep)	Sabah Banking Employees Union (SBEU) (2 reps)
The Malaysian Institute of Chartered Secretaries (MAICSA) (2 reps)	UiTM (1 rep)	Universiti Malaysia Pahang (1 rep)	Federation of Malaysian Manufacturers (FMM) (1 rep)
Malaysian Chamber of Mines (MINES) (1 rep)	Malaysian Institute of Accountant (MIA) (1 rep)	An Casa Royale Hotels & Resorts (1 rep)	Federation of Sabah Industries (FSI) (1 rep)
Abdullah Chan & Co (1 rep)	Universiti Sains Malaysia (USM) (2 reps)	Bukit Gambang Resort City (1 rep)	Department of Industrial Development and Research (2 reps)
Perbadanan Nasional Berhad (PNS) (2 reps)	Suruhanjaya Syarikat Malaysia (SSM) (1 rep)	SPKG Tours Sdn Bhd (1 rep)	Sabah Economic Development and Investment Authority (SEDIA) (5 reps)
	Federation of Malaysian Manufacturers (FMM) (1 rep)	Pejabat Kementerian Pelancongan & Kebudayaan (1 rep)	
		The Zenith Hotel, Kuantan (1 rep)	
		Casa Titik Villa (1 rep)	
		Waterworld Network Sdn Bhd (2 reps)	
		Charisma Hotel (1 rep)	
		Tourism Pahang (1 rep)	
		KPDNKK (2 reps)	
9 participants represented 7 entities	9 participants represented 8 entities	16 participants represented 14 entities	14 participants represented 7 entities

4.4 Independent t-test analysis between the questionnaire and e-survey data collection

Independent t-test was performed to ensure that the questionnaires collected via e-survey and hardcopy shows no significant difference. If there is no significant difference, both modes of collections can be combined and used for further analysis.

Table 4.4
Independent t-test analysis between the questionnaire and e-survey data collection

Variables	T	df	Sig
Gender	0.498	463	0.619
Education	4.484	463	0.000
Age	0.450	463	0.653
Location	2.653	463	0.008
Category	6.296	463	0.000
Industry	1.934	223	0.054
Position	0.747	223	0.456
Quality of advocacy and outreach of MyCC	9.818	463	0.000
Effectiveness (quality) of enforcement	8.259	463	0.000
Company practices, attitudes and culture of Compliance to CA 2010	1.107	406	0.269
General state of market competition	3.447	463	0.001

Based on independent t-test analysis between the questionnaire and e-survey data collection, as shown in Table 4.4 above, the p value of the education, location and category were below 0.05, which means these variables are significantly different between these two groups (questionnaire and e-survey). Therefore, we calculated the Eta squared for each variable based on Cohen (1998) which stated that the effect size small 0.01-0.05; moderate 0.06 – 0.13; large 0.14 and above. Education with the effect size of 0.04 is considered as small effect. Location also with the effect size of 0.01 is small but category with the effect of 0.07 is considered as moderate. Eta for quality is 0.17 which is considered as a large effect. Enforcement with the effect of 0.17 is considered as moderate effect and state of market competition has an effect of

0.02 which is small. As there is only one large effect size for the variable, and variables are important to be analyzed, both modes of collection, hardcopy and e-survey data collection can be combined as one data set.

4.4.1 Demographic Profile of Respondents

In this study, a total of 463 usable responses were used in the analysis to answer the research objectives of study. From the 463 respondents, 54% is female and the balance is male.

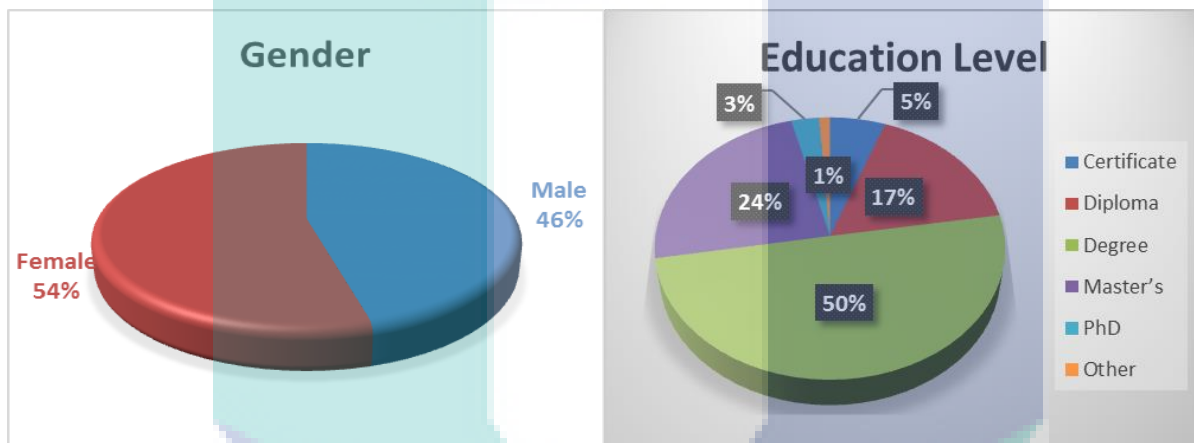


Figure 4.1
Respondents Profile - Gender and Education

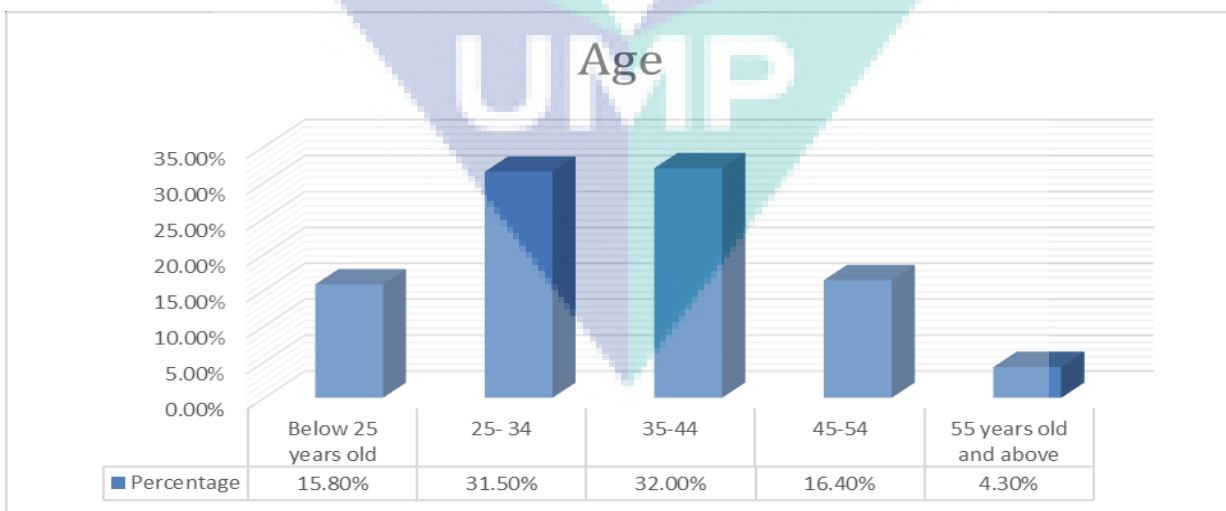


Figure 4.2
Respondents Profile - Age Group

Two age groups were having nearly the same number of respondents' age group of 35 to 44 (32%) and 25-34 (31.5%) years old. Third highest age group of respondents between the age of 45 to 54 years old representing 16.4%.

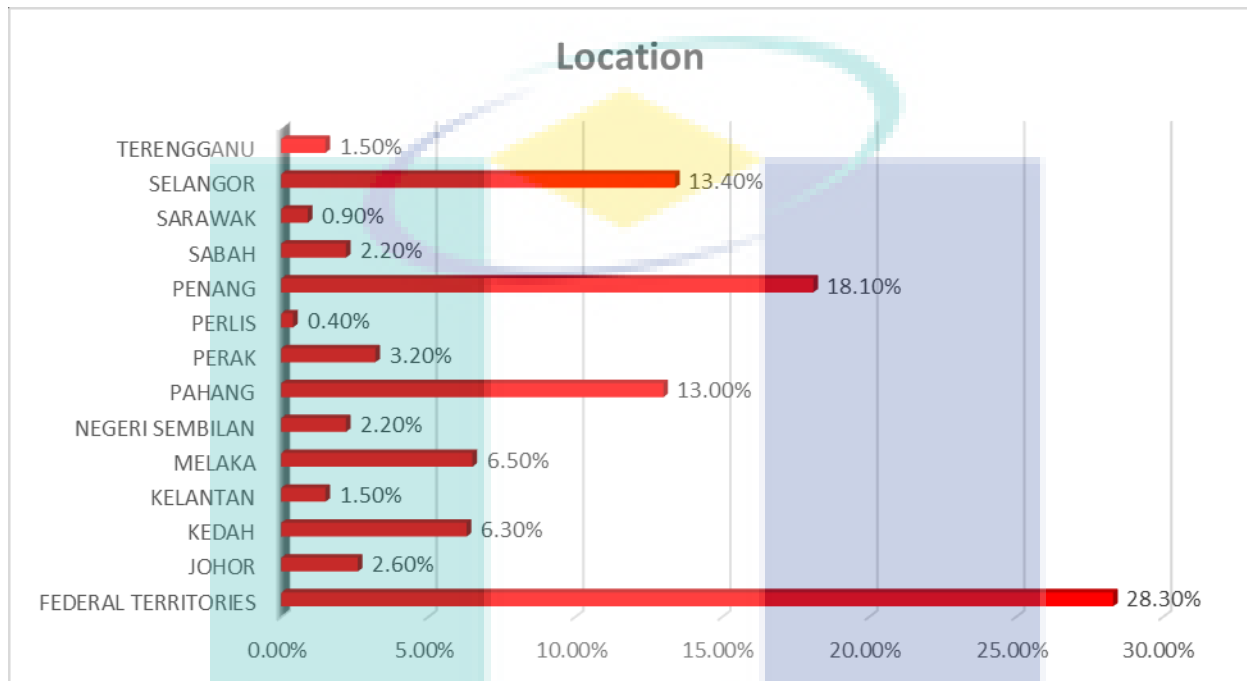


Figure 4.3
Respondents Profile – Location

In terms of respondents' location, most of the respondents (28.30%) are from Federal Territories (Kuala Lumpur, Labuan, Putrajaya), then followed by Penang 18.10% and Selangor amounting to 13.40%.

Meanwhile, around 33.3% of respondents come from the SMEs, and then followed by government agencies category with 31.1% of respondents. The lowest category was consumers / trade associations which consist only 1.3% from the overall 463 respondents.

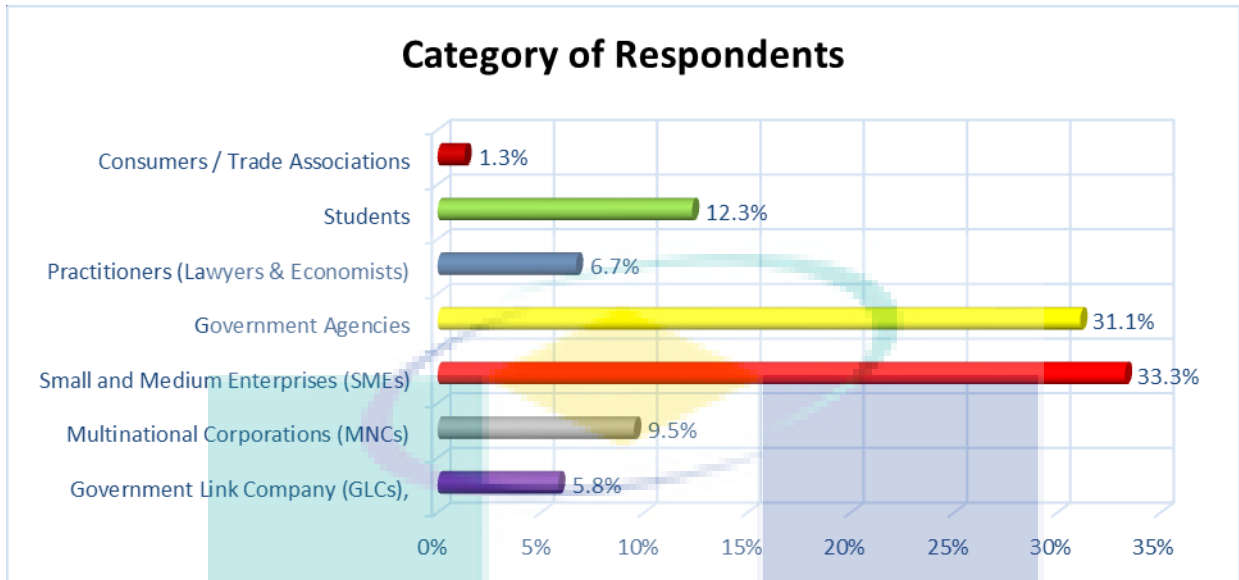


Figure 4.4
Respondents Profile – Category of Respondents

4.5 Results of Analysis

The results of the analysis of both quantitative data and qualitative data from FGDs are presented in this section to answer the study's research objectives.

4.5.1 Descriptive analysis of variables

Table 4.5
Mean and Standard Deviation

	N	Mean	Std. Deviation
The company practices, attitudes and culture of Compliance to the Competition Act	406	3.59	0.88
Level of awareness on Competition Act 2010	217	3.19	0.94
Level of awareness about MyCC	258	3.29	0.73
Quality of advocacy and outreach of MyCC	463	3.30	1.04
Effectiveness of enforcement of MyCC	463	3.53	0.95
General state of market competition in Malaysia	463	3.50	1.13

Table 4.5 shows the mean and standard deviation for study variables. The company practices, attitudes and culture of compliance to the CA 2010 presented the highest mean among the variables and the general state of market competition scored the highest standards deviation which shows the variance on the perception among the respondents.

4.5.1.1 To determine the quality of advocacy and outreach of MyCC

Table 4.6 shows in detail the mean by questions from the questionnaire and categories. The mean for question about the effectiveness of MyCC in reaching out to stakeholders scored the highest means (3.36) as compared to other questions in this session. Meanwhile, the lowest mean in this session was for the question if MyCC provides sufficient public information with a score of only 3.19. Indeed only practitioners (law & economists) scored the mean below 3 for all these questions. It shows that there is room for MyCC to improve in their advocacy and outreach program mainly for practitioners.

In relation to study conducted in Singapore by CCS on 2014, depicts that practitioners have the highest mean in all questions as showed in table 4.6 compared to other stakeholder such consumers, business, government and students. The finding by CCS is contrast with this study finding which showed that practitioners (Lawyers & Economists) in Malaysia has the lowest mean among other stakeholder.

Table 4.6
Quality of advocacy and outreach of MyCC

N= 463	GLCs (27)	MNCs (44)	SMEs (154)	Government agencies (144)	Practitioners (Lawyers & Economists) (31)	Students (57)	Consumer / Trade Associations (6)	Total mean
Q68. MyCC is effective in reaching out to stakeholders.	3.25	3.13	3.86	3.15	2.29	3.35	3.16	3.36
Q69. MyCC provides sufficient public information	2.92	2.84	3.82	2.90	2.22	3.14	3.00	3.19
Q70. Information on MyCC's decisions is easily accessible.	3.22	3.02	3.79	3.02	2.83	3.49	3.00	3.33
Q71. MyCC's competition messages to its stakeholders are adequate, consistent, and clear.	3.14	3.09	3.88	3.03	2.48	3.35	2.83	3.32
Q72. I find MyCC's outreach session effective.	3.22	2.97	3.85	3.03	2.45	3.35	3.00	3.30
Total mean	3.15	3.01	3.84	3.02	2.45	3.33	2.99	3.30

Figure 4.5 shows that SMEs scored the highest mean in all the questions related to quality of advocacy and outreach of MyCC.

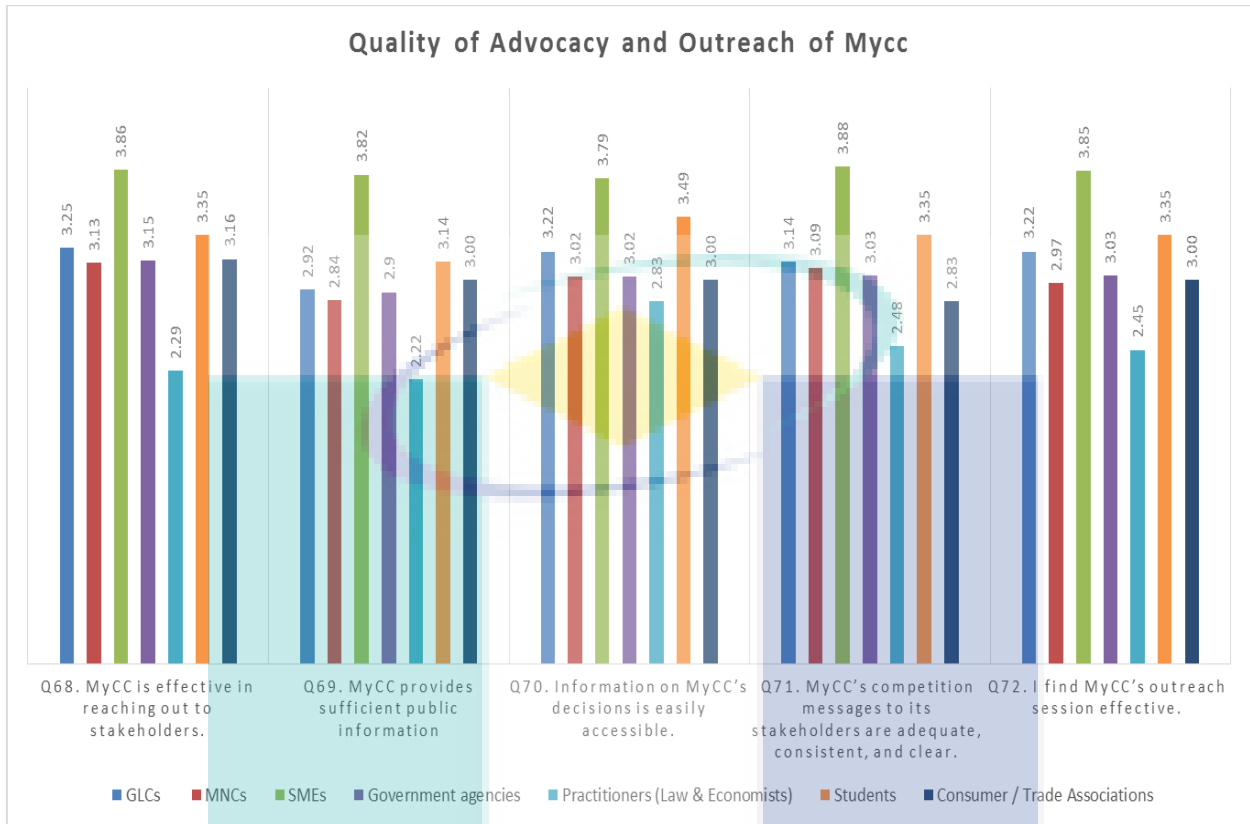


Figure 4.5
Quality of advocacy and outreach of MyCC by questions from the questionnaire

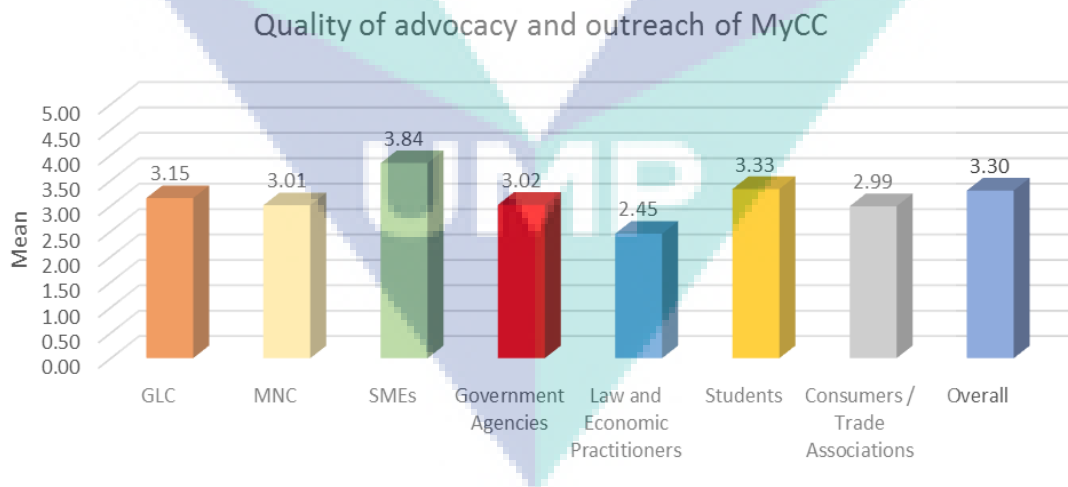


Figure 4.6
Quality of advocacy and outreach of MyCC

Figure 4.6 shows that the higher total mean is from SME (3.84%) and the lowest mean is from the law and economic practitioners (2.45%). This indicates that compared with other

stakeholder groups, SMEs have benefited from the quality of advocacy and outreach of MyCC. However, GLCs (3.15%) and students (3.33%) still find MyCC's outreach session effective.

The responses from the qualitative analysis indicated good review on the advocacy and outreach work done by MyCC especially from the KL FGD participants. Further responses from FGD participants from KL, Penang, Pahang and Sabah shared thoughts and ideas of improvement in the outreach and advocacy work.

FGD KL *'They have done a good job. I attended quite a number of their seminars, dialogues sessions and all these'.*

FGD KL *'..they have these programs for professional bodies, associations. The ones that is lacking is for the new generations... These generations are IT savvy and we are still talking about seminars, all those things, talks, but for the new generation, they are not interested'.*

FGD KL *'I think first... We have to also identify our target groups. Because, the way that we are giving awareness to MNCs, big organizations might not be the same to SMEs...or maybe at the grass root level, maybe people who don't go to universities, people who don't really read newspapers, people who experience it but maybe they don't know something can be done about their situations. So, not necessarily we only need to go to universities, we need to go to grass root level. That something can be done about their situation. Before this, I have worked at the state level. A lot of people in the state, for example, their level of awareness is not the same as those people who always go to KL for example. I was working in Perak. So, we need to go these people at more suburbs, rural level'.*

FGD KL *'Maybe MyCC can come up with the basic do's and don't's but making it industry specific. For example, so, if they are traders, what they cannot do, on pricing, for examples, don't do sorting price with your suppliers. But you know, just the basic one because every business is different..., maybe have a boiler plate, sort of Do's and Don't's'.*

FGD KL *'I think road shows can but you don't just touch on the theory, but you give cases.. real cases give participants better understanding and better impact. MyCC's real cases, that would be much better.... Show why should it matters to them [public]. Because usually people only want to take note when it matters to them or has something to do with them'.*

FGD KL *'Not so much of enforcement. It's the education that you need to provide. Before the public is aware of what is happening, if you do enforcement, you will create hatred or something like that. I think education is very important you know'.*

FGD KL *'Maybe it has to be introduced, make it simple, starting from school.*

FGD KL ‘....they don’t go all out, and they just do it and educate you and then maybe a minimum fine for the first time. So that might be a better approach because you are more, what you call, not saying you are soft but you are trying to educate. But one thing I notice is that MIDF is doing this. They are going to universities. They have appointed a few officers or researchers. They just go to the universities to put up the banners, MIDF. And then, it’s just like trying try to expose their organization, MIDF. Those in the finance might know it but most of the students sometimes don’t even know what MIDF is. So, what they do is they engage the students. They have like 30 students at one go. So, they go throughout Malaysian universities. Yeah, that’s like a road show that might be an approach where MyCC can do’.

FGD Penang ‘Consumers are also the members of the business. So you have to look from their point of view. And especially we are really at very initial stage. As we go further into implementation, we have to (on implementation) because we are part of the AEC, we have to, and otherwise we will be left behind in global market. We need to educate the consumers. We need them. And I think in that sense, we need to do something to make MyCC shine like a gentle rain or whatever...re-planning, they need re-planning.’

FGD Pahang ‘Manufacturing to distributor, distributor to retailer, retailer to consumer. I think we are still very much lacking looking into retailers and distributors. So maybe, focus area should be retailers. So, call all the kedai runcit taukey and tell them what is, what can you do, what you shouldn’t do... And tell all the restaurant owners, warung-warung taukey, to come and sit down. Kita sembang sikit, yeah. And to the distributor. They share information. Ok. As to capture the retail sectors. And manufacturers to us like PSM Petronas, they’re the main supplier, the core supplier.. So, manufacturing supplies to 3000-4000 distributors..or...wholesaler. I see still lacking at the level of wholesaler, distributors. Ok. Supply chain, yeah’.

FGD Sabah ‘For sure I think, MYCC has no soul in Sabah, because all are set in KL, 60 of your employees are in KL, so, in my opinion, you need to reach out to the ground. At least to place one officer in KK to educate people in Sabah, that’s my opinion’.

FGD Sabah ‘Yes it would be good for MYCC to centralize but having offices in KK and Kuching and in every state in the peninsular as well, will give a thorough setting its functions with the main agenda could be to organize talk shows, give talks to public, to the senior offices. This is the way to create awareness’.

FGD Sabah ‘So, it is a continual effort, alright. I did see something about advocacy; I believe the famous case would be the AirAsia and MAS, published in news paper. So unfortunate to say I do not know really whether it is a good strategy to promote MYCC by highlighting some cases in news paper, in the mainstream media, but by reading this, consumers are aware. However, after this case, I have not read about any other cases in mainstream news papers’.

FGD Sabah ‘Direct interfacing, you can ask question just like this session’.

FGD Sabah ‘At least once a year boleh la macam nie kan [FGD]? I think there are many other associations, for example, Chinese chamber, and the bumiputra ones - Kadazandusun chambers’.

FGD Sabah ‘So, about teaching the public, educating the public, I think we should start from the very beginning...as an introduction, you can include questions in SPM papers or STPM papers within Pengajian Am subject. In one year, you know, we have so many students graduating, in four years time, a lot of people would know about MyCC. When they reach universities or college level, this people already know what to choose, what to do and what not to do, and what to practice.’

FGD Sabah ‘Especially to those students who are doing diplomas who wants to be entrepreneurs, I think it should be a subject taught in the school, especially in business school. It’s good for MyCC to have dialogue sessions with the students, and they can gain new ideas probably’.

4.5.1.2 To determine the level of awareness and knowledge of the various stakeholders of the CA 2010

Table 4.7
Level of awareness and knowledge of the CA 2010

N= 463	Level of awareness (Q36)		Level of knowledge (N= 217) (Q44)			
	Yes (N= 217)	No (N= 246)	A lot (N= 11)	A fair amount (N= 34)	Not very much (N= 86)	Have heard but know nothing (N= 86)
Government Link Company (GLCs) (27)	25.9%	74.1%	14.3%	14.3%	57.1%	14.3%
Multinational Corporations (MNCs) (44)	38.6%	61.4%	5.9%	11.8%	29.4%	52.9%
Small and Medium Enterprises (SMEs) (154)	56.5%	43.5%	10.3%	14.9%	40.2%	34.5%
Government Agencies (144)	41.0%	59.0%	0.0%	15.3%	44.1%	40.7%
Practitioners (Lawyers & Economists) (31)	87.1%	12.9%	0.0%	22.2%	33.3%	44.4%
Students (57)	26.3%	73.7%	0.0%	20.0%	40.0%	40.0%
Consumers / Trade Associations (6)	83.3%	16.7%	0.0%	0.0%	20.0%	80.0%

Table 4.7 shows the level of awareness and how much the respondents know about the CA 2010. Practitioners (lawyers and economists) have the highest awareness about the CA 2010 among the respondent groups that is 87.1%. The lowest awareness group of respondents shows GLCs representing only 25.9% from 27 respondents having heard about the CA 2010 before. On the other hand, from Table 4.7, the level of knowledge about CA 2010 shows that the organization or business community has a higher level of knowledge as compared to other group of respondents. As shown in Table 4.7, GLCs, MNCs and SMEs have answered that they know a lot about the CA 2010. However this results need to be interpreted carefully due to different sample sizes. The question was also created to test whether the respondents who claim they know about CA 2010 actually have knowledge about CA 2010. For that purpose, respondents were requested to identify the illegal practices under the CA 2010 to the best of their knowledge.

Table 4.8
Illegal practices under CA 2010

(N = 463) Illegal Practices	Correct answer
Price fixing	231 (49.9%)
Sharing markets or source of supply	180 (38.9%)
Limiting or controlling production	221 (47.7%)
Bid rigging	258 (55.7%)
Price discrimination	257 (55.5%)
Predatory behaviour towards competitors	235(50.8%)
Refusal to supply	227 (49%)
Tied selling	206 (44.5%)
Buying up scarce goods or resources	199 (43%)
Total correct answer	48.33 %

Table 4.8 shows illegal practices under CA 2010 and the percentages that the respondents have identified correctly on the illegal practices. From the Table 4.8, overall 48.33% of participants correctly indicate illegal practices under CA 2010. More than 55% of respondents have correctly identified bid rigging and price discrimination as illegal.

Table 4.9
Crosstab on respondents knowing about CA2010 and having knowledge about CA 2010

	A lot (12)	A fair amount (32)	Not very much (86)	Have heard but know nothing (87)
Price fixing	8 (66.67%)	18 (56.25%)	54 (62.79%)	67 (77.01%)
Sharing markets or source of supply	8 (66.67%)	14 (43.75%)	41 (47.67%)	58 (66.67%)
Limiting or controlling production	9 (75%)	20 (62.5%)	41 (47.67%)	58 (66.67%)
Bid rigging	9 (75%)	19 (59.37%)	58 (67.44%)	72 (82.76%)
Price discrimination	9 (75%)	16 (50%)	55 (63.95%)	63 (72.41%)
Predatory behaviour towards competitors	8 (66.67%)	18 (56.25%)	50 (58.14%)	63 (72.41%)
Refusal to supply	8 (66.67%)	17 (53.12%)	41 (47.67%)	55 (63.22%)
Tied selling	10 (83.33%)	16 (50%)	37 (43.02%)	53 (60.92%)
Buying up scarce goods or resources	10 (83.33%)	18 (56.25%)	37 (43.02%)	49 (56.32%)
Percentage mean	73.15%	54.16%	53.49%	68.71%

Table 4.9 shows that, 73.15% of the respondents who claim that they know a lot about CA 2010 correctly answered on the illegal practices under CA2010. About 54.16% correct answers are recorded by who know a fair amount and 53.49% who know not very much about CA2010. Those who have heard but know nothing about CA 2010 answers 68.71% correctly.

To further test the knowledge of respondents about CA 2010, scenario based questions have been developed; Question 52 in questionnaires (Appendix 5). Table 4.10 shows that on

average, 53.63% of respondents are able to answer the scenario based questions correctly as compared to 46.37% with incorrect answers. It is interpreted that more than half of the respondents having knowledge about the CA 2010. As indicated by Q52a on possible collusion, respondents mostly answered correctly. Meanwhile, on Q52d related to infringement of CA 2010 provision, around 66 of respondents answered incorrectly.

Table 4.10
To test the knowledge about CA 2010 with scenario based questions

	Correct answer	Incorrect answer
Q. 52 a - Knowledge CA2010	338 (73%)	125 (27%)
Q. 52 b - Knowledge CA2010	203 (43.8%)	260 (56.2%)
Q. 52 c- Knowledge CA2010	298 (64.4%)	165 (35.6%)
Q. 52 d- Knowledge CA2010	154 (33.3%)	309 (66.7%)
Total	53.63%	46.37%

Table 4.11
Crosstab testing respondents who knew about CA 2010 with scenario based questions

N = 217	A lot (12)	A fair amount (32)	Not very much (86)	Have heard but know nothing (87)
Q.52a. Anti-competitive of CA2010	10 (83.33%)	27 (84.38%)	67 (77.91%)	69 (79.31%)
Q.52b. Anti-competitive of CA2010	9 (75%)	20 (62.50)	40 (46.51%)	51 (58.62%)
Q.52c. Anti-competitive of CA2010	10 (83.33%)	24 (75%)	51 (59.30%)	58 (66.67%)
Q.52d. Anti-competitive of CA2010	10 (83.33%)	25 (78.13%)	56 (65.12%)	68 (78.16%)
Percentage mean	81.25%	75%	62.21%	70.69%

Table 4.11 shows that 81.25% of respondents who knew a lot about CA 2010 answered the scenario based questions correctly. About 70.69% of those who have heard but know nothing about CA2010 had also answered the scenario based questions correctly.

The qualitative analysis as shown in Table 4.12 indicates the FGD participants' level of awareness of the CA 2010 among the various stakeholders for all four locations; KL, Penang, Pahang and Sabah. Similar to the quantitative analysis results, FGD participants had indicated that law practitioners having the highest level of awareness regarding CA 2010 across all locations. The least awareness about CA 2010 was among consumers according to these participants.

Table 4.12
Level of awareness on CA 2010 determined by FGD participants of all four locations

Stakeholders	Level of Awareness (1-10)			
	KL	PENANG	PAHANG	SABAH
Consumer	↑ Lowest level ↓ Highest level	1	1	1
SMEs		5 or 6	4	Not sure
GLCs		1	4	Not sure
MNCs		10	4	See Note 3 below
Practitioners(Lawyers)		10	10	10
Government Agencies	See Note 1 below	5	2	3
Trade Associations	See Note 2 below	5 or 6	6 or 7 - (FMM) 5 & below - (Others)	5

Note 1: Participants unable to determine the awareness level of Competition Act 2010 among government agencies. According to participants, this is due to some selected government agencies involved with Competition Act 2010 activities would be aware of it whereas others may not be.

Note 2: Participants ranked OK on Consumer/Trade associations.

Note 3: No MNCs in Sabah.

4.5.1.3 To determine the level of awareness and knowledge of the various stakeholders of the role of MyCC

Table 4.13
The level of awareness and knowledge about MyCC

N= 463	Level of awareness (Q31)		Level of knowledge (N= 258) (Q33)			
	Yes (N= 258)	No (N= 205)	A lot (N= 0)	A fair amount (N= 32)	Not very much (N= 128)	Have heard but know nothing (N= 98)
Government Link Company (GLCs) (27)	29.6%	70.4%	0.0%	12.5%	62.5%	25.0%
Multinational Corporations (MNCs) (44)	40.9%	59.1%	0.0%	0.0%	38.9%	61.1%
Small and Medium Enterprises (SMEs) (154)	67.5%	32.5%	0.0%	9.6%	50.0%	40.4%
Government Agencies (144)	53.5%	46.5%	0.0%	16.9%	51.9%	31.2%
Practitioners (Lawyers & Economists) (31)	74.2%	25.8%	0.0%	8.7%	56.5%	34.8%
Students (57)	38.6%	61.4%	0.0%	27.3%	36.4%	36.4%
Consumers / Trade Associations (6)	100.0%	0.0%	0.0%	0.0%	50.0%	50.0%

Table 4.13 shows that 55.7% (258 respondents) have heard about MyCC in the media and 44.3% (205 respondents) have never heard about MyCC. Further, all the respondents participated in the research under Consumers / Trade Associations “have heard about MyCC” in contrast to only 29.6% of the respondents from GLCs have heard about MyCC. On the other hand, none of the respondents know “a lot about MyCC”. Students shows the highest percentage (27.3%) that

know a fair amount about the MyCC compared to other groups. This might be due to the fact that universities have already started to offer courses relating to Competition Act.

To further examine whether respondents have knowledge about MyCC, this study have included question for respondents to choose areas that MyCC is responsible for. Table 4.14 shows that on average, 66.20% who have heard about MyCC had correctly identified the responsible areas of MyCC. However, 19 said they do not know any.

Table 4.14
MyCC responsibility indicated by respondents

Roles (N= 258)	Correct	Incorrect
Regulating high excessive prices	177 (68.60%)	81 (31.40%)
Establishing price guideline	188(72.87%)	70 (27.13%)
Advising the government --	119 (46.12%)	139 (53.88%)
Taking actions against anti-competitive--	175 (67.83%)	83 (32.17%)
Promoting efficient market--	95 (36.82%)	163 (63.18%)
Issuing licenses to businesses	231 (89.53%)	27 (10.47%)
Granting approval	231 (89.53%)	27 (10.47%)
Promoting a strong competitive culture---	135 (52.33%)	123 (47.67%)
Handling consumer protection	186 (72.09%)	73 (28.29%)
Don't know any	19	
Percentage overall	66.20%	33.80%

Table 4.15
MyCC responsibilities indicated by respondents by stakeholder groups

N (258)	Correct	Incorrect
Government Link Company (GLCs) (8)	61.11 %	38.89%
Multinational Corporations (MNCs) (18)	74.70%	25.30%
Small and Medium Enterprises (SMEs) (104)	56.09%	43.91%
Government Agencies (77)	71.80%	28.20%
Practitioners (Lawyers & Economists) (23)	80.67%	19.33%
Students (22)	66.66%	33.34%
Consumers / Trade Associations (5)	77.77%	22.23%

Table 4.15 shows that actual knowledge about MyCC responsibilities is higher (80.67%) for the practitioners (lawyers & economists) respondents than other groups and SMEs respondents scored the lowest percentage (56.09%).

Similar to the quantitative analysis result, participants of FGD KL, Penang, Pahang and Sabah have had indicated the highest level of awareness of MyCC among the various stakeholder groups was among the law practitioners as depicted in Table 4.16. Consumer groups again were said to be having the lowest level of awareness on MyCC. Participants from Penang, Pahang and Sabah were asked on their level of awareness on CA 2010 as compared to the level of awareness on MyCC and these FGD participants had indicated having a better awareness level of CA 2010.

Table 4.16

Level of awareness on MyCC determined by FGD participants of all four locations

Stakeholders	Level of Awareness (1-10)			
	KL	PENANG	PAHANG	SABAH
Consumer		Lower than the CA 2010	Lower than the CA 2010	Lower than the CA 2010
SMEs				
GLCs				
MNCs				
Practitioners(Lawyers)				
Government Agencies	Not sure			
Trade Associations	Not sure			

4.5.1.4 To determine the perception of stakeholders’ on the effectiveness (quality) of enforcement of MyCC

Table 4.17 shows that, MyCC effectively considered the feedback of affected parties and makes decision that are objective as well as MyCC’s actions have a positive impact on the market it intervenes with both mean at 3.57% recorded from respondents. Based on the analysis, SMEs (3.99%) shows the highest among the stakeholders. Others have mean more than 3 except Practitioners (lawyers & economists) which shows that somehow respondents agree that MyCC have some effectiveness in its enforcement.

The mean perception of all stakeholder group on CCS’s quality of enforcement is above 3. This shows that CCS is generally effective, rigorous in its analysis and makes decisions that are sound and objective, has a positive impact on the market and it promotes strong competitive culture. The findings in the current study in Malaysia shows a different result from CSS.. In this study, the practitioners felt that MyCC needs to improve the quality of enforcement as the mean for all the questions is less than 3.

Table 4.17

The mean score on the effectiveness (quality) of enforcement of MyCC

N= 463	GLCs (27)	MNCs (44)	SMEs (154)	Government agencies (144)	Practitioners (Lawyers & Economists) (31)	Students (57)	Consumer / Trade Associations (6)	Total mean
Q63. MyCC is effective in taking action against anti-competitive business practices	3.40	3.36	3.94	3.35	2.58	3.49	3.16	3.51
Q64. MyCC is rigorous in its analysis and make decisions that are sound, well explained and understood	3.37	3.29	3.96	3.29	2.64	3.36	3.00	3.48
Q65. MyCC effectively considers the feedback of the affected parties	3.51	3.40	4.05	3.35	2.77	3.43	3.16	3.57
Q66. MyCC actions have positive impact on market it intervenes	3.59	3.31	3.99	3.41	2.74	3.50	3.16	3.57
Q67. MyCC is effective in promoting strong competitive culture	3.40	3.20	4.05	3.36	2.64	3.47	3.16	3.54
Total mean	3.45	3.31	3.99	3.35	2.67	3.45	3.12	3.53

Figure 4.7 shows the mean score for the effectiveness of enforcement by MyCC by questions from the questionnaire and stakeholders categories of respondents. SMEs shows the highest mean in all the questions indicating that SMEs agree that MyCC enforced CA 2010 effectively.

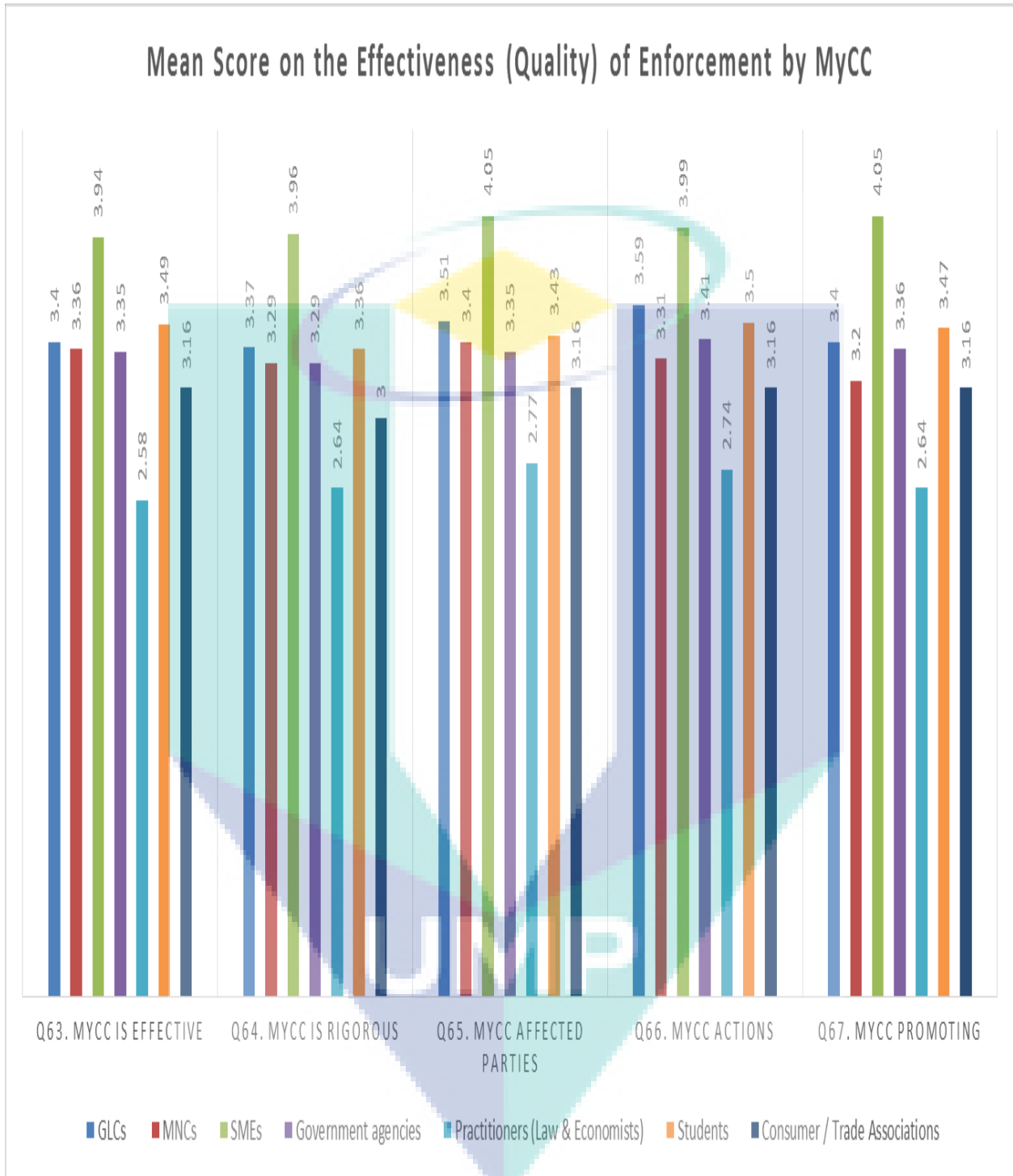


Figure 4.7
 Mean score on the effectiveness (quality) of MyCC enforcement

Effectiveness of enforcement of MyCC

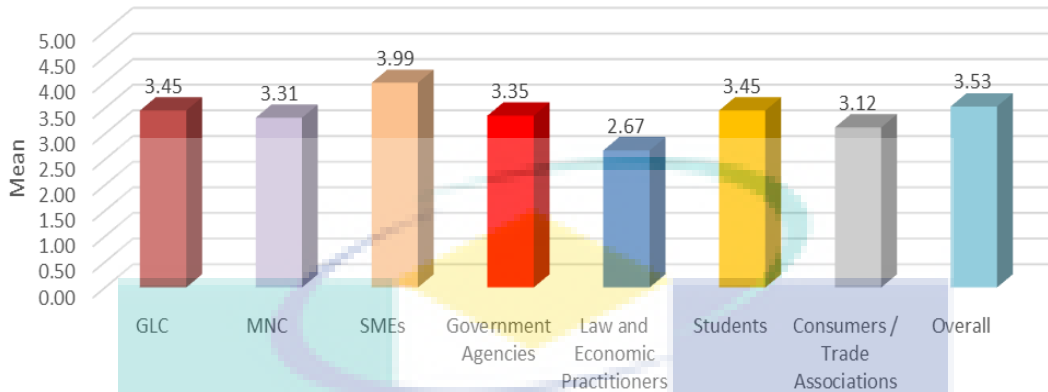


Figure 4.8
Effectiveness (quality) of enforcement by MyCC

From Figure 4.8, this study is able to identify that SMEs having higher perception that MyCC effectively enforce the CA 2010 followed by GLC and students categories. In contrast, the Law and Economic practitioners felt that MyCC still have room to improve their effectiveness in enforcing CA 2010 as this category scored the lowest mean compared to others.

From the qualitative analysis study, the following responses from KL, Penang and Sabah FGD participants provides a better understanding on the enforcement activities that had been carried out by MyCC to-date. These responses reflect the frustrations as well as the aspirations of the people towards better enforcement of the CA 2010.

FGD KL *'MyCC is currently is going for low-hanging fruits i.e barber shops, flower sellers rather than making an impact on the society. Focus on specific and small market, so, we don't see the real impact'*.

FGD KL *'I think enforcement is the way to create awareness. Because, I think enforcement shouldn't start from, let's say, your mom and pop shops rather big businesses because they already know what Competition Act is'*.

FGD KL *'For us [Law Firm representative], the awareness is very high because especially for foreign clients, they are very concern about the impact but locally you know when we advise them on competition issues, they don't really see, care so much, especially you know when coming out on market, they don't see enforcement so much, so they think it's a showcase'*.

FGD KL *'We must have certain proven documents or whatever before we just go in'*.

FGD KL *'I would like to add that maybe from this Act, can give more fair opportunities to people. For example, now, I know there are some exemptions but there are also certain areas that we have monopolies, for example, doing some tenders, certain group of people always draw the tenders'.*

FGD KL *'Like everybody know that all the big ones are excluded. So when the level of awareness is up, people became more aware, they will say come on, how come all the big ones are excluded, because everybody knows'.*

FGD KL *'So, the issue is people are seeing that nothing is done because of these exclusions'.*

FGD KL *'The pie is so big that everybody can share. It's just like all the professional bodies, there are so many lawyers around, so many doctors around but the pie is big enough for everybody..maybe have to be studied further to remove the exclusions. I think if not, it's just like until when MyCC won't get to execute its role'.*

FGD Penang *'With the small players, they have drifted from price fixing, for example, members of coffee shop associations. When we ordered tea tarik, we find different prices, even in the same row of shops; we can find three different prices with these small players. But for the bigger and higher segment market, for example, why are old bakery shops or old bakery supplies factories disappeared? We know that there're two to three big players in terms of breads like Gardenia, Massimo and last time we had High Five, now High Five had disappeared. So, we see disappearance of all those traditional producing factories. So, are we killing entrepreneurs? We have a lot cases if you look at websites especially from Sibul.'*

FGD Penang *'The only concern really is the concentration due to there is really only few players. What I can discuss is that..... Assuming there are two suppliers for certain tools, "okay, this one I produce it, the others, produce by others". So, there's no choice, even to the manufacturers themselves. We also have to buy from them'.*

FGD Penang *'Enforcement need to be taken seriously, like you know with the GST act where now they're enforcing, they're going on operations and if they see any company not registered, they place penalty, they are also going on undercover...maybe the 8th time, maybe the 9th time, then they catch the owner. I mean they really do it, they are having their enforcement, and then they gonna have audit and so on. They are really doing it, so people get really scared. So this one like we can do it [Laugh] but who's gonna catch me [Laugh]'.*

FGD Penang *'How come only the same company wins the contract? They are millionaires you know [Laugh]. Because they keep winning. And then the other thing is like once you win the contract, you get for 3-5 years, and it gets renewed. Renewed. Renewed. Renewed. Yeah. And when it gets renewed, how the others smaller players will come in? So, the competition is not balance there'.*

FGD Penang *'But there're two ways looking at it. You are looking from economic perspectives, you have legendary market policies and all these things, let's see from competition*

past experience from the regimes which have implemented competition law. If you refer to countries, or we just look at member country, Singapore, we found that actually if we properly implemented the competition law, it really promotes innovation, promotes entrepreneurship and basically its very good for SMEs. Of course it's not going to happen now, but it's in the process, consumers have the benefits because they have better choices and better prices. It's not like always be cheaper prices but you got better choices. You've got choices. Having choices itself is consumer right. [Nikmat]. You know we're not talking about the price. Consumer choice, you have a choice. I get ASTRO I get something else. It's my choice what I want. Okay secondly, the benefit for small entrepreneurs. When entrepreneurs got ideas, they don't have to worry about getting the process going. I can pull in, nobody can stop me. And, especially now, with the innovation, this innovation would be not successful if we don't have competition law'.

FGD Sabah *'We should encourage more entrepreneurs for domestic investment, for economic growth. But we have problem - domestic investment dropping from years to years. So we have serious problem, alright. So rules affect competition inversely in the country. When we over emphasized the rules in competition'.*

FGD Sabah *'When it comes to the real implementation, I think it always so negative, especially in Sabah. I am not against the government, but it's really always that way. Where is the enforcement?' 'For example, how do you implement the second brand, it's almost from the same source. Just like the family of Nestle or Colgate, another one Darkie, yes, same producer you know, if you look back, they are the same producer. So, they look as if they compete, but it's not competition, they control the market. 'They are in dominant position. They are using the dominance position to control the market user, from the same supplier, from the same source. I think it's bad'.*

FGD Sabah *'We have not seen any enforcement in this la, even the awareness is below, so enforcement except nationally, which is not exactly, not yet under MYCC la, set by the government. They still not enforcing but they try to enforce. We are not against others. Our problem is you are not enforcing it; you are you giving exemptions'.*

FGD Sabah *'So in this 5 years, a lot more still pending cases you know, they cannot make the decision yet'.*

FGD Sabah *'We embrace Competition Act, we want to it implemented but our problem is the exemption given to some industry'. 'The mechanism on how it works and what is involved? The exceptional and the exclusions process, we are in the dark about that'. 'Especially in the eyes of Sabahan, I like to bring up this case on the block exemption. The Malaysian Ship Owner Association applied for block exemption for them to be excluded from the Act. And you know for Sabah, the shipping line is our life line because we are away from port Klang, further away from the centre, if we want to do business and everything you need the shipping lines. There is already a policy given to the Shipping Industry in Malaysia that shipping at Malaysia port must be by Malaysian Registered vessels, that is a national policy. So, on top of that, they applied for block exemption which is all against. I think the whole Sabah Industry was there during the public hearing. So despite the purpose of having the Competition Act, you exempt people, so, so why you have Competition Act for the people? That is manipulative! We gave our points there, but it*

was not taken into consideration...., hopefully MYCC will listen this time and make it happen. My point is that exemption should be done fairly and properly’.

FGD Sabah ‘The definition of national interest, this is an escape floors, I think. A clause like that should be more transparent. When we face incompetence policy, the credibility of MYCC will always be questioned. Here, you talk about encouraging fair competition, but when we have been looking at it for how many years, the credibility of MYCC will be questioned. How effective it is, because our cost of living is high in the county, you know, how do you look at this? So I don’t know, I mean, amending the act just a big step you know, but we could be more transparent, why are we not being transparent? Rather than putting everything under national interest. ’

4.5.1.5 To determine the perception of stakeholders’ on the general state of market competition in Malaysia

The respondents had the opinion that in Malaysia, businesses are mainly run by only a few large players and there is not enough competition as the mean for overall stakeholder groups is 3.50. Furthermore, all the categories of stakeholders obtained a mean score of more than 3 with Law and Economic Practitioners scoring the highest mean amongst all stakeholders as shown in Figure 4.9.

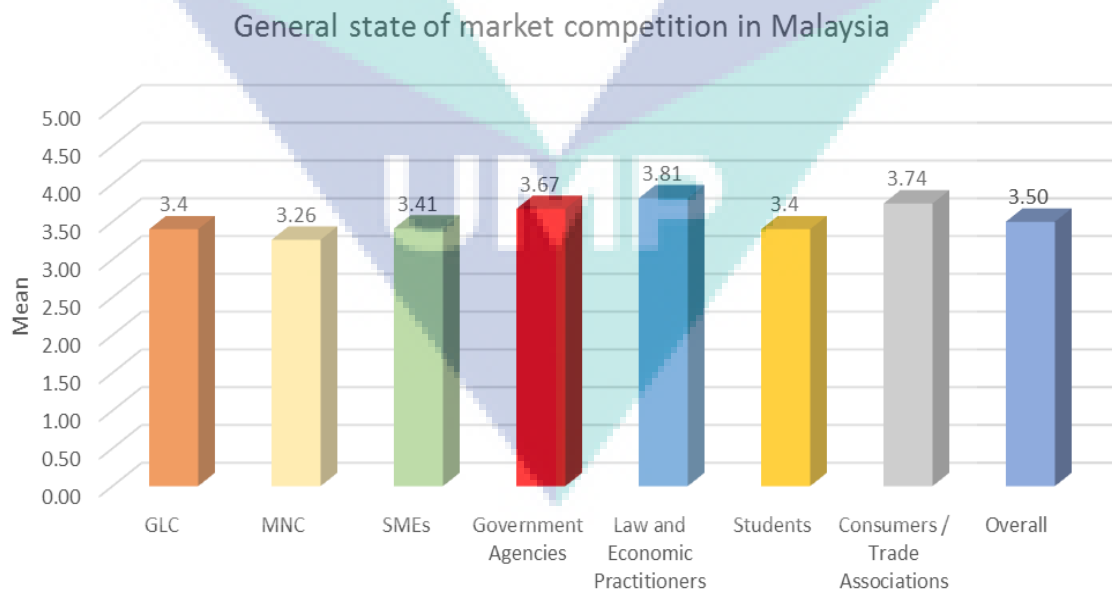


Figure 4.9
General state of market competition in Malaysia

Table 4.18 shows the mean score for each question related to the general state of market competition in Malaysia. For question about “Malaysian businesses being run by only a few large players”, the respondents are of the opinion that there is not much competition. It shows a total mean of 3.55 with practitioners (law & economists) (3.96), Government Agencies (3.75) and Consumers/Trade Association (3.66) having the top three mean score. Meanwhile, for question relating to “business colluding with one another”, the overall mean score is 3.46 with Consumer / Trade Association scoring the highest mean of 3.83 and MNCS scoring the lowest mean of 3.13.

Table 4.18
The mean score on the perception of stakeholders’ on the general state of market competition in Malaysia

N= 463	GLCs (27)	MNCs (44)	SMEs (154)	Government agencies (144)	Practitioners (Lawyers & Economists) (31)	Students (57)	Consumer / Trade Associations (6)	Total mean
Q53. Businesses in Malaysia is being run by only a few large players	3.40	3.40	3.44	3.75	3.96	3.31	3.66	3.55
Q54. Businesses in Malaysia colluding with one another and there is not enough competition	3.40	3.13	3.39	3.60	3.67	3.49	3.83	3.46
Overall mean	3.40	3.26	3.41	3.67	3.81	3.40	3.74	3.50

On other hand, for questions related to business run by only few large players in the country, findings are similar for the research conducted in Singapore. Both studies show that students have the lowest mean amongst the stakeholders. Meanwhile, CCS showed that practitioners has the lowest mean on “questions about the colluding with one another” and “not enough

competition” in contrast to this study which showed MNCs has the lowest mean. In summary, both researches found that some of the stakeholders felt that the market is dominated by large players and there is collusion in the business and there is insufficient competition.

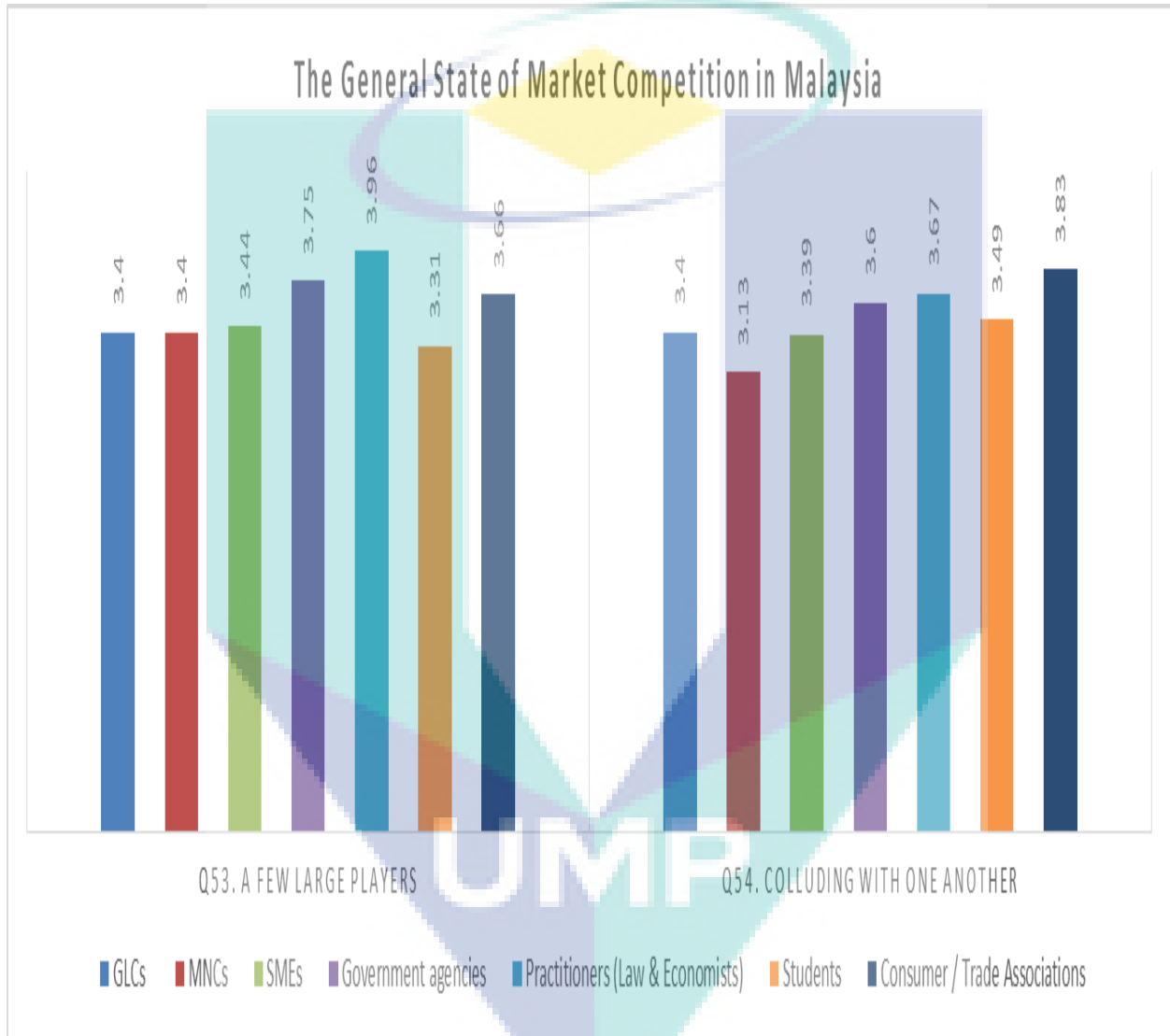


Figure 4.10
General state of market competition in Malaysia by number of questions from the questionnaire

4.5.1.6 To determine the perception of stakeholders on the company practices, attitudes and culture of Compliance to the Competition Act 2010

This session will describe the company practices, attitudes and culture of compliance to the CA 2010 according to respondents' organization. Table 4.19 depicts the individual questions mean by stakeholders groups. All these questions have a mean more than 3 which indicates that the organizations have been taking positive measures to comply with CA 2010. On the other hand, MNCs shows a mean above 4 for the questions relating to leadership commitment to compliance, regular training for employees and regular review of compliance programme.

Table 4.19

The mean score on the perception of stakeholders on the company practices, attitudes and culture of Compliance to the CA 2010

N= 406	GLCs (27)	MNCs (44)	SMEs (154)	Government agencies (144)	Practitioners (Lawyers & Economists) (31)	Consumer / Trade Associations (6)	Total mean
Q58. Committed to compliance	3.77	4.09	3.67	3.33	3.93	3.83	3.77
Q59. Conducts training for its employees	3.51	4.11	3.86	3.31	3.58	3.33	3.61
Q60. Review its compliance programme to ensure effectiveness	3.66	4.02	3.95	3.20	3.19	3.33	3.55
Q61. Effective whistle blowing programme in place	3.74	3.59	3.70	3.02	3.19	3.33	3.42
Total mean	3.67	3.95	3.79	3.21	3.47	3.45	3.59

Figure 4.11 showed that for all these questions, MNCs had the highest mean except for the whistle-blowing; it was placed third behind GLCs and SMEs.

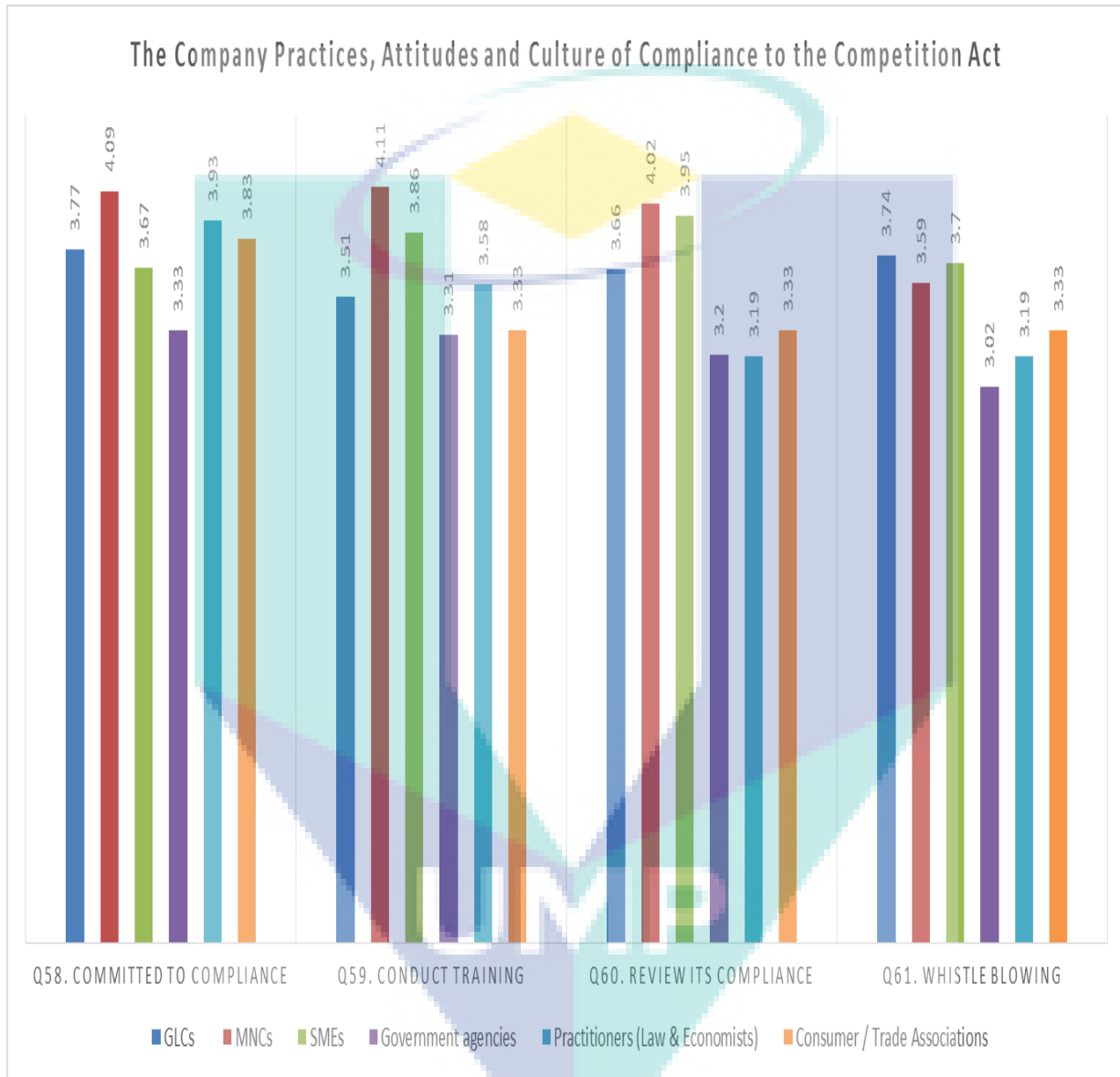


Figure 4.11
The Company Practices, Attitudes and Culture of Compliance to CA 2010 by number of questions from the questionnaire

The company practices, attitudes and culture of Compliance to the Competition Act

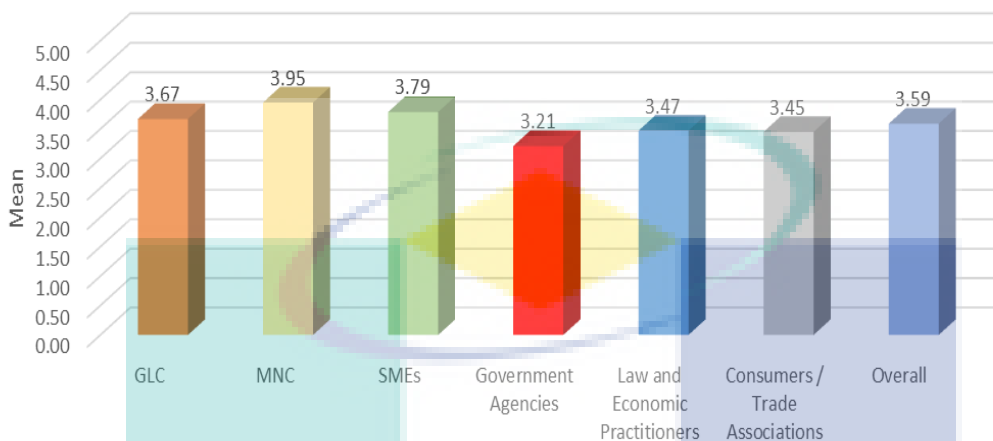


Figure 4.12
The Company Practices, Attitudes and Culture of Compliance to the CA 2010

Results show MNCs has the highest mean score among the stakeholder groups of respondents, followed by SMEs and GLCs. It shows that MNC have a greater tendency to comply with CA 2010 and to achieve that objective, they have put in place practices, attitude and culture of compliance.

4.5.1.7 To determine the stakeholders’ preferable sources of information on CA 2010 and preferable social media sites

Table 4.20 indicates the sources they refer to obtain further information on competition legislation by respondents. In addition, Figure 4.13 shows that most of the respondents would surf the internet (86.2%) if they need information about the CA 2010, followed by surfing MyCC’s website/facebook/twitter/YouTube (30.7%). and Others (1.3%) refers to EU and UK case laws and global competition websites.

Table 4.20
The stakeholders' preferences of the sources of CA 2010 information

	Frequency	Percentage
The Internet	399	86.2 %
Business Link	86	18.6 %
Legal Advise	80	17.3 %
Financial advisor/accountant	28	6.0 %
MyCC Advocacy Programmes	81	17.5 %
MyCC publication	73	15.8 %
MyCC website/Facebook/Twitter/Youtube	142	30.7 %
Trade Association	31	6.7 %
Local Authority/Council	22	4.8 %
Trading Standards	11	2.4 %
Trade Publication	22	4.8 %
Newspaper	82	17.7 %
TV/Radio	70	15.1 %
A college	108	23.3 %
Friends/Family	116	25.1 %
Others (EU and UK Case Laws and Global Competition Website).	6	1.3 %

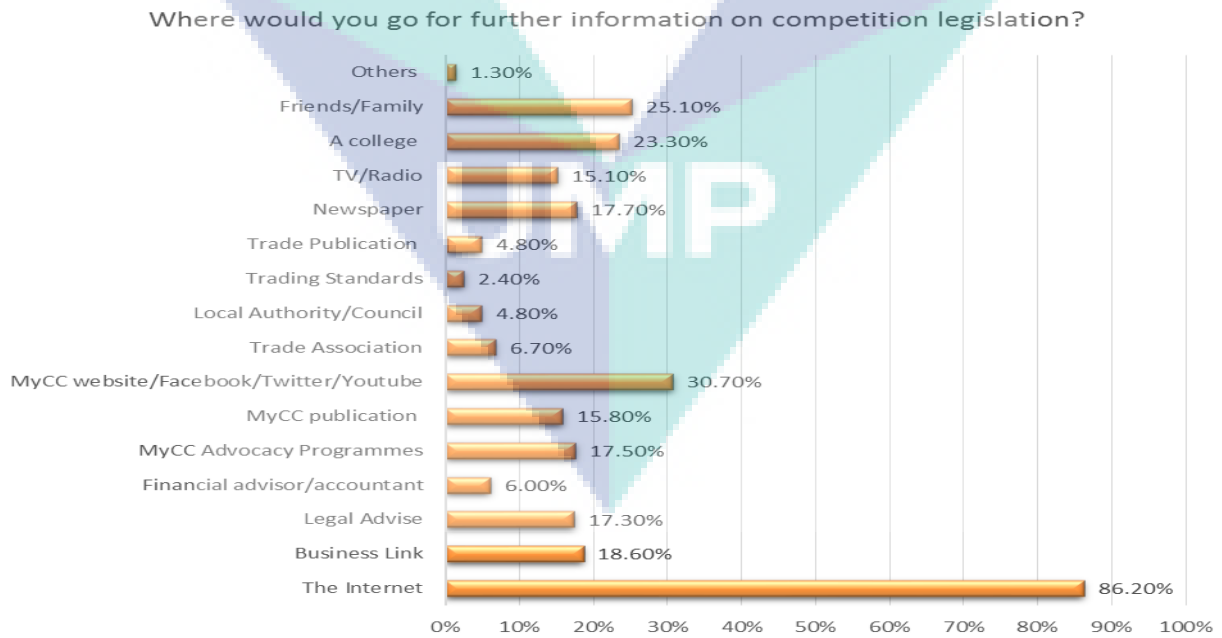


Figure 4.13
 Sources of information on Competition legislation

These qualitative responses further reflect the thoughts of FGD participants from KL, Penang, Pahang and Sabah on the sources when seeking information on CA 2010.

FGD KL *'For me, the easiest to make people to know about MyCC is through advertisement. Can start with radio. For example, everybody know about AKPK because of the iklan.. Advertisement about hakmilik strata because the iklan is interesting'.*

FGD KL *'When they[public] want to look at a product, link to other agencies [i.e. MyCC]...link portal....portal to portal'.*

FGD KL *'Click one website, then there will be small advert or small key attached to it {on MyCC}, then you will tend to look at it, you know.*

FGD KL *'You see, when we goggle if we want something, we just key in something, then, it will just take us to the relevant page. MyCC should come up with something like this. If we are in doubt, we click something, we key in something, MyCC should able to lead us somewhere'*

FGD KL *'To reach out to Gen Y and all these people, you just blast it off those cases, you know, at least there are aware. Sometimes these people, they won't read newspapers, if there is any cases, you know, you can just blast it off. At least there's another awareness that you can create..... Yes, yes, use IT you know, reach out to the younger ones'.*

FGD KL *'You have to go to the new generation, the culture of hand phone...'*

FGD Penang *'....should go to ASTRO channel because if you look for a good comparison, you can see in Singapore. How they have educated the general public on competition network, it's very good. Because I've seen some of the advertisement....the introduction is very good, very friendly, very simplified, with colorful pictures...'*

FGD Pahang *'Basically use online. Use online and give very, very simple examples. What you do in these scenarios, A, B, C, D and E...Choose more than two answers. Then, when your answer A is wrong, give explanation why. So, this is something that very easy, you know. You want consumer to understand'.*

FGD Sabah *'I think for our side here, we have very little information, always in the news paper only when there are new cases and the only can find it in the news paper. I think we have minimum information'.*

FGD Sabah *'The wrong channels! I think if in Sabah, here in KK, urban viewers, they will not watch tv1 or tv2; it's for those viewers from rural areas'. Also, during 5pm news, we are still at work. Usually after 10pm, viewers here change to tv3. Also, there is one channel, early morning, just for Sabah'.*

FGD Sabah ‘We need more, in Sabah, maybe you need to advertise in the local radio channels to reach the target group’.

The social media sites preferences used by the respondents are shown in Table 4.21.

Table 4.21
The stakeholders’ preferences of the social media sites

	Frequency	Percentage
Facebook	407	87.9 %
Twitter	115	24.8 %
Instagram	237	51.2 %
Google+	229	49.5 %
LinkedIn	119	25.7 %
Others	43	9.3 %

Figure 4.14 showed that Facebook is the first preference social media by the 87.9% of respondents, followed by Instagram and Google+ with 51.2% and 49.5% of respondents respectively.

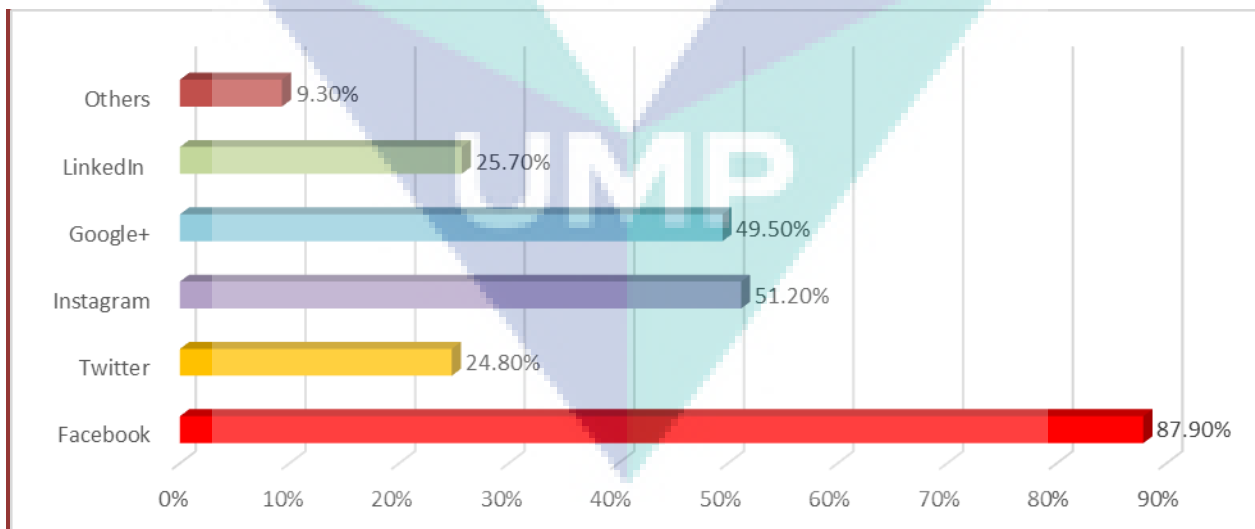


Figure 4.14
The stakeholders’ preferences of the social media sites

In tandem with results of quantitative analysis, the following responses from FGD participants of KL, Pahang and Sabah present avenues to incorporate information technology with social media in leveraging for better coverage and reach among the citizens.

***FGD KL** 'I think we should introduce MyCC to Gen Y by using media social, I think everyday update actively in facebook any stories, even stories from other countries can be includedt, also the cases'.*

***FGD KL** '....blasting on twitter, on facebook. So, if people are interested they will go in further, if not, at least they are aware'.*

***FGD KL** '....when SMEs want to start businesses they should know, what are the rules they should comply, what they should not do for the business, so, what they need to know readily available in a single window'.*

***FGD Sabah** 'Youtube is free, right? Like in Thailand, even the government advertises in Youtube and share, millions of people watch it and goes viral'.*

***FGD Sabah** 'I think MYCC should make use of social media more, like the mobile application because everyone has phone nowadays. For example, everyone is so aware with pokemon'.*

4.5.1.8 To compare the awareness level of various stakeholders with the 2013 Baseline Study 2013

This section presents the comparison of the current study to Baseline Study 2013. Section 4.6 will discuss the details of the findings for SMEs, where definition of SME and profile of respondents will be given and findings of the current study will be discussed.

4.5.1.8.1 Business Characteristics and Respondent Background

The current study had a total of 154 respondents of SMEs consisting of 94 services (61%), 44 manufacturing (29%), 7 construction (4%), 6 agriculture (4%) and 3 mining (2%) companies. FGDs were held at four locations which were Kuala Lumpur (central region), Penang (northern region), Pahang (East coast region) and Kota Kinabalu (East Malaysia).

For the Baseline Study 2013, about 600 respondents of small and medium enterprises (SMEs) from services (75.4%), manufacturing (14.2%), building and construction (6.4%), agriculture (3.1%) and mining and quarry (0.8%) industries were randomly selected and interviewed face to face. Additionally, focus group discussions (FGDs) with participants from various government agencies, NGOs, trade associations and interest groups were held in five locations specifically in Kuala Lumpur (central region), Penang (northern region), Kota Kinabalu (East Malaysia), Kuching (East Malaysia) and Kuala Terengganu (East coast region).

4.5.1.8.2 Awareness of MyCC and CA 2010

In this current study, the overall the level of knowledge on the existence of MyCC and CA 2010 is very high. About 67.5% of total respondents noticed the existence of MyCC through the Internet, MyCC website, newspaper and television/radio. About 56.5% of the total respondents were aware about CA 2010 mostly through the Internet, MYCC, newspaper, television/radio and MYCC publication.

Baseline Study 2013 reported a very low level of awareness of MyCC's existence and CA 2010 among the respondents. Only 8.9% of total respondents were aware of MyCC's existence through internet, business link, newspaper and television/radio as the most important mode of assessing information. Only 6.6% of total respondents were aware about CA 2010 through similar channels of business information with addition of trade publications.

4.5.1.8.3 Level of Awareness by States, Market Structures and Sectors

According to the current study, in terms of awareness by the states, almost all responding businesses in every state are aware of the existence of MyCC. Extreme observations can be seen from Negeri Sembilan and Perlis where 100% of responding businesses have awareness of

MyCC, followed by Selangor (88.9%), Johor (75%), Penang (73.5%) and Federal Territories (61.1%). However, the highest responding businesses that are not aware about MyCC is from Terengganu (66.7%) and only 11.1% of responding businesses in Selangor and 25% in Johor, have never heard about MyCC.

Knowledge of MyCC is greatest among the small businesses. But smaller businesses in others industry particular micro and small sizes are much more likely to lack information about MyCC. However, 100% of micro, small and medium sizes businesses in the agriculture and mining sector are highly aware of MyCC's existence as compared to manufacturing and services.

For domestic-driven and export-oriented businesses, the level of awareness did not differ significantly. Results shows that 66.7% of domestic-driven businesses are aware of MyCC's existence while 87.5% representing the export-oriented businesses. The level of knowledge about MyCC is higher for export-oriented businesses compared to domestic-driven businesses. Specifically, 28.6% of export-oriented businesses have a fair amount of knowledge with respect to MyCC as compared to only 10.3% for domestic-driven businesses.

As compared to Baseline Study 2013, across states in Malaysia, the report indicated respondents from Melaka and Perlis having zero level of awareness. The report showed that only 6.6% of total respondents were aware about CA 2010 through similar channels of business information with additional information that they obtained from trade publications. All states across Malaysia except Perak (11.8%) indicated a low knowledge level of CA 2010 (below 10%). Overall, the knowledge level of CA 2010 across states came up lower when compared with the level awareness of MyCC. Further, the report found no significant difference between domestic-driven (7.6%) and export-oriented business (6.2%) in terms of awareness level of

MyCC. Also, large sized businesses having a greater knowledge about MyCC and decreases as business gets smaller.

4.5.1.8.4 Knowledge of Illegal Practices

In this current study, almost half of respondents (54.5% to 64.9%) identify all nine practices as illegal and about 11.7% to 20.8% agree that it is illegal under certain circumstances. The proportion of correct answers are higher than incorrect ones indicating that even with moderate awareness of the existence of CA 2010, businesses still have a good deal of understanding about legal and illegal practices. Nevertheless, there are about 6.5% to 14.9% of respondents who have categorized those practices as permissible, while 11% to 17.5% had no idea at all.

Compared to Baseline Study 2013, this study reported that business entities had a good understanding of what were legal vs illegal practices with almost half of respondents (38.4% to 50.5%) identified all nine illegal practices and 12.7% to 19.6% identified illegal under certain circumstances. About 17.7% to 26.7% respondents indicated those practices as illegal and 13.5% to 20.3% did not know about the practices.

4.5.1.8.5 Breaching of the Competition Law

The results of this current study shows that most respondents are of the opinion that their companies “probably” are involved in both anti-competitive agreements in each state and sector (state: 70.1%, sector: 64.9%) and abuse of dominant position (state: 77.2%, sector: 72.1%). About 6.5% and 9.1% of respondents indicates that businesses in their state and sector have violated the competition law by having anti-competitive agreements and abuse of dominant

position. Only 5.1% and 11.7% of respondents believe that breaches in competition law did not happen in their state or sector.

Baseline Study 2013 reported that about 41.6% (state) and 43.7% (sector) respondents were unsure if businesses in their state or sector have violated competition law by engaging in anti-competitive behavior and about 39.6% (state) and 41.4% (sector) in abuse of dominant power. This is followed by 31.7% (state) and 28.2% (sector) businesses indicating involvement in anti-competitive activities and 35.0% (state) and 30.4% (sector) in abuse of dominant power. However, 26.7% to 28.2% respondents acknowledged no violation of the Competition Law in their state or sector.

4.5.1.8.6 Experience with Illegal Practices

The current study states that the majority of respondents never came across anti-competitive agreement (62.3%) in the last five years such as price fixing and bid ringing, as well as abuse of dominant position (66.2%) like predatory pricing and discriminatory pricing. Only 37.7% and 33.8% of respondents have experienced anti-competition agreements and abuse of dominant position, respectively. Majority of businesses (71.4%) claim that they have not abandoned or changed arrangements with other firms in the last two years because of the risk of infringing competition law, while only 28.6% say they have abandoned or changed their arrangements.

When compared to Baseline Study 2013, majority of the respondents, 80.4% and 79.6% respectively, did not have any experience engaging in anti-competitive agreement or abuse of dominant power. On the contrary, the remainder 19.6% and 20.4% respondents have had experiences dealing with anti-competitive agreement and abuse of dominant power respectively.

4.5.1.8.7 Consequences of Non-Compliance

According to this study, across the eight consequences, the higher percentage of consequences - can be taken to court by any injury party in pursuit of damages having is 70.1%. On average, 64.3% of businesses do not know what the consequences of non-compliances were.

In comparison to Baseline Study 2013, given eight consequences of law violation, 48.1% average respondents indicated knowing the consequences versus 19.8% non-informed. The report also indicated that 32.1% respondents do not know the consequences of non-compliance.

4.5.1.8.8 Source of Further Information about the CA 2010

This study reports that majority of businesses (80.5%) would choose the internet as a source to obtain information. Aside from the internet, respondents prefer to utilize media as a platform to seek information about the law such as newspapers (36.8%). About 29.9% of businesses would choose MyCC, and a very small percentage of them would ask their financial adviser/accountant (1.1%) and refer to trading standards (1.1%).

Similarly, the Baseline Study 2013 also reported that the most preferred source of information about the CA 2010 is the internet (82.6%), followed by newspaper (49%) and television/radio (40.3%). About 19.5% respondents would seek MyCC for the needed information. Very few would look for legal advisor (5%) and financial advisor (1%) in this information sought process.

4.5.2 Hypotheses Testing

The five hypotheses of the study are as follows:

H₁: The higher the quality advocacy and outreach of MyCC, the higher the level of awareness (knowledge) of the Competition Act among the stakeholders.

H₂: The higher the quality advocacy and outreach of MyCC, the higher the level of awareness (knowledge) of the role of MyCC.

H₃: The higher the quality advocacy and outreach of MyCC, the higher the level of perception of the enforcement effectiveness (Quality) of MyCC.

H₄: The higher the quality advocacy and outreach of MyCC, the higher the level of perception of the general state of market competition in Malaysia.

H₅: The higher the quality advocacy and outreach of MyCC, the higher the level of perception of the Company practices, attitudes and culture of compliance with CA2010.

The hypotheses of this study are tested using correlation analysis. Before the analysis is conducted, the assumptions of correlation analysis were first tested.

The assumptions of correlation analysis which includes whether there are outliers, that the relationship is linear and assumptions of homoscedasticity are all met, thus correlation analysis can be carried out. The variables to be tested are continuous data. .

4.5.2.1 Hypotheses Testing Results

The correlation analysis was utilized to test the relationship among the variables in this study. The five hypotheses were examined for each stakeholder as shown in Table 4.22.

- H₁: The higher the quality of advocacy and outreach of MyCC, the higher the level of awareness (knowledge) of CA 2010 among the stakeholders.

Table 4.22 shows that there is no relationship between quality of advocacy and outreach of MyCC and the level of awareness (knowledge) about the CA 2010 amongst the stakeholders. This suggests that the quality of advocacy should be enhanced to include more materials that could enhance the awareness in term of knowledge of the stakeholders.

- H₂: The higher the quality advocacy and outreach of MyCC, the higher the level of awareness (knowledge) of the role of MyCC.

It was also found that there is no relationship between quality of advocacy and outreach of MyCC and the level of knowledge about MyCC amongst the stakeholders. This suggests that the quality of advocacy should be enhanced to include more materials that could enhance the awareness (knowledge) of the stakeholders.

- H₃: The higher the quality advocacy and outreach of MyCC, the higher the level of perception of the enforcement effectiveness of MyCC.

It was found that this hypothesis is supported with the strong correlation which the higher the quality of advocacy and outreach of MyCC, the higher is the level of perception of the enforcement effectiveness of MyCC for all stakeholders except for consumers/trade associations. Thus MyCC should focus on enforcement activities. For consumers/trade association it is suggested that cases of breach of anti competition law should be highlighted.

- H₄: The higher the quality advocacy and outreach of MyCC, the higher the level of perception of the general state of market competition in Malaysia.

As for H₄, it was found to be significant for MNCs, SMEs and students and not found to be significant for GLCs, Government Agencies, Practitioners (Lawyers &

Economist) and Consumers/ Trade Associations. Overall this hypothesis is rejected. More efforts should be focused on the stakeholders where relationship is not significant.

- H₅: The higher the quality advocacy and outreach of MyCC, the higher the level of perception of the Company practices, attitudes and culture of compliance with CA2010.

This hypothesis is not supported. It could be that to improve the company practices, attitudes and culture of compliance with CA, requires a lot of resources and not all the stakeholders can afford it. MNCs were found to be the stakeholder that has the highest practice, attitudes and culture of compliance to CA 2010.

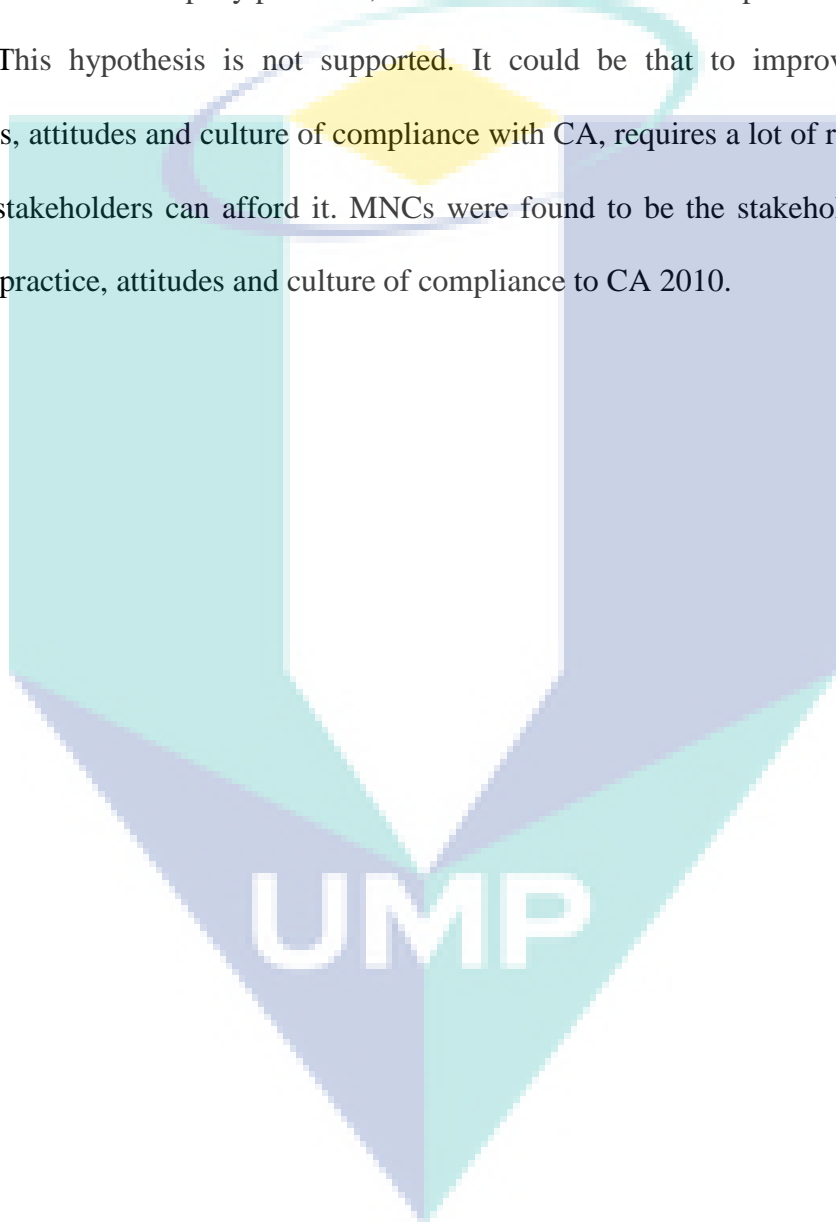


Table 4.22

The correlation results among the variables according to the group of respondents

Relationship		GLCs	MNCs	SMEs	Government Agencies	Practitioners (Lawyers & Economists)	Students	Consumers / Trade Associations	Overall
H1	Quality of advocacy and outreach of MyCC → Awareness (knowledge) about CA 2010	-0.502	0.122	-0.018	-0.004	-0.044	0.009	0.157	-0.106
H2	Quality of advocacy and outreach of MyCC → Awareness (knowledge) about MyCC	-0.178	-0.211	0.098	0.070	0.186	0.047	0.353	0.056
H3	Quality of advocacy and outreach of MyCC → Effectiveness (quality) of enforcement	0.659**	0.840**	0.748**	0.621**	0.621**	0.781**	0.682	0.755**
H4	Quality of advocacy and outreach of MyCC → General state of market competition	-0.001	0.338*	0.185*	-0.072	-0.162	0.462**	-0.617	-0.019
H5	Quality of advocacy and outreach of MyCC → Company practices, attitudes and culture of Compliance to CA 2010	0.323	-0.048	0.138	0.045	-0.031	0.025	-0.272	0.044

Note: ** correlation is significant at the 0.01 level and * correlation is significant at the 0.05 level

4.5.3. Additional Quantitative Analysis

Additional analysis has been done to have a more in depth understanding of the findings of the study.

4.5.3.1 MyCC, a professional organisation (Competence, Commitment, Integrity and Excellence)

As shown in Table 4.23, around 58% respondents have the perception that MyCC is a professional organization which has attributes such as competence, commitment, integrity and excellence compared to only 6% who felt otherwise.

Table 4.23
MyCC a professional organisation

	Frequency	Percentage
Strongly disagree	15	3.2%
Disagree	13	2.8%
Neutral	166	35.9%
Agree	202	43.6%
Strongly agree	67	14.5%
Total	463	100%

4.5.2.2 The perception about CA 2010

This session explains the perception of respondents about the C A 2010 such as keeping a healthy market competition, CA 2010 business friendly, CA 2010 guidelines useful clear and easy to apply. Also, it explains that the competition legislature is robust /comprehensive and relevant. Table 4.24 shows that most of respondents agreed that CA 2010 and competition legislature have all the good features as highlighted in the specific questions.

Table 4.24
Perception about the Competition legislature and CA 2010

N= 217	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Q38. CA 2010 is effective in keeping a healthy market competition	10 (4.6 %)	13 (5.99%)	63 (29.3%)	91 (41.93%)	40 (18.43%)
Q39. CA 2010 is business friendly	6 (2.76%)	16 (7.37%)	68 (31.33%)	92 (42.39%)	35 (16.12%)
Q40. Guidelines on CA 2010 is useful to apply	4 (1.84%)	14 (6.45%)	70 (32.25%)	91 (41.93%)	38 (17.51%)
Q41. Guidelines on CA 2010 is easy to apply	6 (2.76%)	20 (9.21%)	78 (35.94%)	74 (34.1%)	39 (17.97%)
Q42. Competitive legislature is Robust/ Comprehensive	7 (3.22%)	21 (9.67%)	79 (36.40%)	70 (32.25%)	40 (18.43%)
Q43. Competitive legislature is relevant and business friendly	7 (3.22%)	21 (9.67%)	66 (30.41%)	87 (40.09%)	36 (16.58%)

Table 4.25 provides more detail to understand the perception among the stakeholders groups of respondents. Respondents rates the “guidelines on the CA 2010 is useful to apply” as having the highest mean as compared to the other questions in this session. Practitioners (law and economists) shows the lowest mean of 2.99, having the perception that competitive legislature are not as robust/comprehensive and relevant since the mean score shows lower than 3. Surprisingly, SMEs shows the highest mean among the group of respondents.

The study by CCS in the year 2014 in Singapore, found that in general business have a higher level of satisfaction towards CCS competition legislation, in term of its effectiveness in keeping competition. In addition, as the mean of all of the stakeholders is more than 3, this means that the respondents feel that the competition act is business friendly, and the CCS guidelines are useful, clear and easy to apply, competition legislation is robust, relevant and business friendly. This is in line with the current study which found all the mean for the questions as shown in table 4.25 is more than 3 except for the practitioners (Lawyers & Economists) for the question about the

competitive legislature, which found the mean to be less than 3. Practitioners in Malaysia feel that CA 2010 is not comprehensive and relevant enough, which implies that CA2010 need to be further improved.

Table 4.25
The perception about the Competition Legislature and CA 2010

N=217	GLCs (7)	MNCs (17)	SMEs (87)	Government agencies (60)	Practitioners (Lawyers & Economists) (26)	Students (15)	Consumer / Trade Associations (5)	Total mean
Q38. CA 2010 is effective in keeping a healthy market competition	3.85	3.58	3.77	3.66	3.19	3.60	3.20	3.63
Q39. CA 2010 is business friendly	3.57	3.88	3.90	3.38	3.07	3.66	3.20	3.61
Q40. Guidelines on CA 2010 is useful to apply	3.57	3.88	3.98	3.40	3.11	3.80	3.20	3.66
Q41. Guidelines on CA 2010 is easy to apply	3.57	3.47	3.95	3.20	3.01	3.80	3.20	3.55
Q42. Competitive legislature is Robust/ Comprehensive	3.42	3.52	3.93	3.30	2.65	3.80	3.20	3.53
Q43. Competitive legislature is relevant and business friendly	3.57	3.58	3.94	3.30	2.92	3.66	3.40	3.57
Total mean	3.57	3.58	3.91	3.34	2.99	3.73	3.20	3.59

UMP

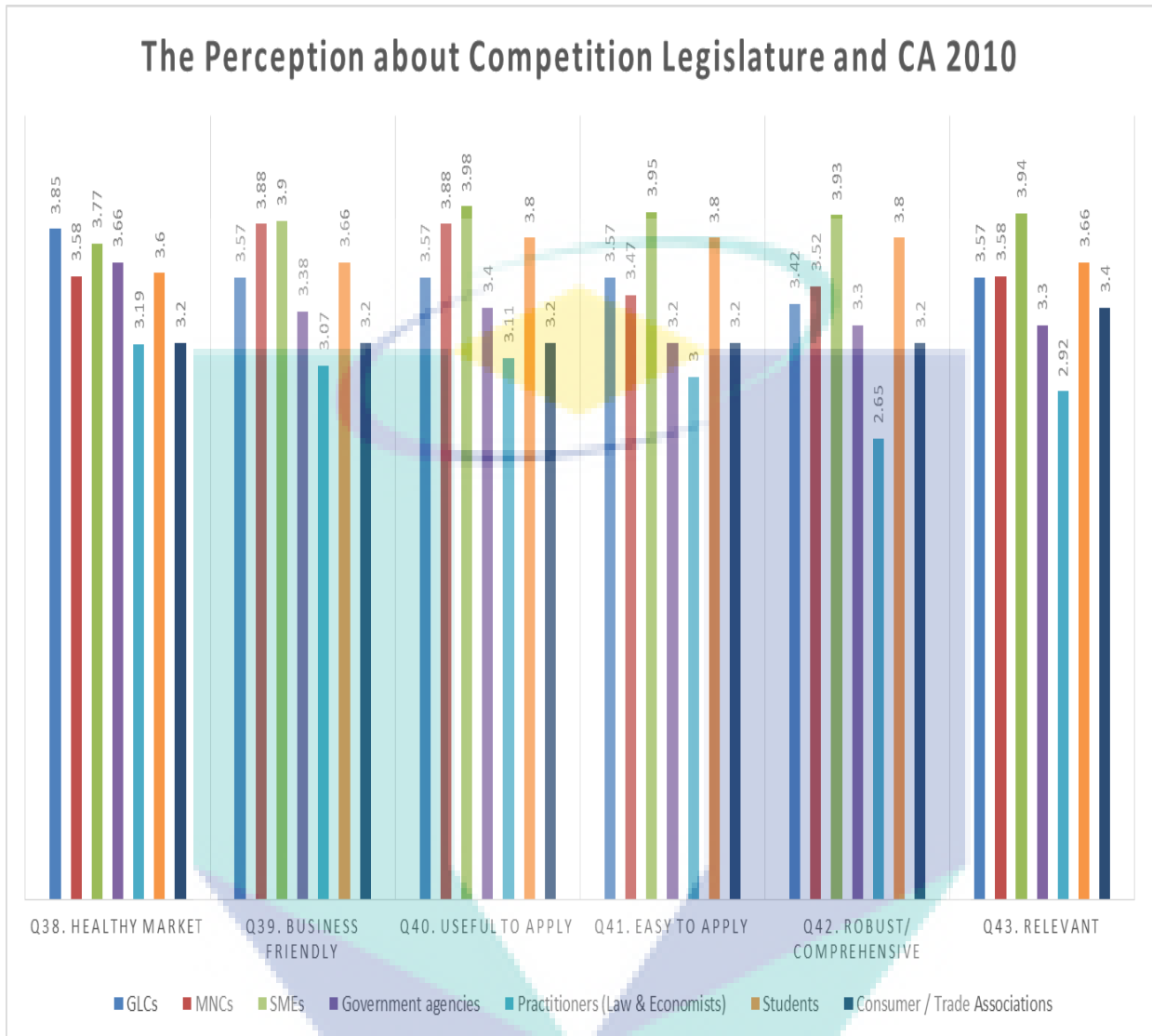


Figure 4.15
The Perception about Competition Legislation and CA 2010

4.5.4 Additional Qualitative Analysis of FGDs

Based on the FGDs of all four locations, additional pointers are listed below.

4.5.4.1 Exemptions & Exclusions of CA 2010

FGDs participants from KL and Sabah recommended that the exemptions and exclusions stipulated in the Competition Act to be studied in order to determine if these elements are really in need for national interest and to be transparent about it. Eventually as the awareness level

increases, public would demand for strong reasoning as why certain parties falls under the exemptions and exclusions which could lead to questioning the credibility of MyCC.

FGD KL 'Like everybody know that all the big ones are excluded. So when the level of awareness is up, people became more aware, they will say come on, how come all the big ones are excluded, because everybody knows'.

FGD KL 'So, the issue is people are seeing that nothing is done because of these exclusions'.

FGD KL 'The pie is so big that everybody can share. It's just like all the professional bodies, there are so many lawyers around, so many doctors around but the pie is big enough for everybody..maybe have to be studied further to remove the exclusions. I think if not, it's just like until when MyCC won't get to execute its role'.

FGD Sabah 'We embrace Competition Act, we want to it implemented but our problem is the exemption given to some industry'. 'The mechanism on how it works and what is involved? The exceptional and the exclusions process, we are in the dark about that'. 'Especially in the eyes of Sabahan, I like to bring up this case on the block exemption. The Malaysian Ship Owner Association applied for block exemption for them to be excluded from the Act. And you know for Sabah, the shipping line is our life line because we are away from port Klang, further away from the centre, if we want to do business and everything you need the shipping lines. There is already a policy given to the Shipping Industry in Malaysia that shipping at Malaysia port must be by Malaysian Registered vesse, that is a national policy. So, on top of that, they applied for block exemption which is all against. I think the whole Sabah Industry was there during the public hearing. So despite the purpose of having the Competition Act, you exempt people, so, so why you have Competition Act for the people? That is manipulative! We gave our points there, but it was not taken into consideration...., hopefully MYCC will listen this time and make it happen. My point is that exemption should be done fairly and properly'.

FGD Sabah 'The definition of national interest, this is an escape floors, I think. A clause like that should be more transparent. When we face incompetence policy, the credibility of MYCC will always be questioned. Here, you talk about encouraging fair competition, but when we have been looking at it for how many years, the credibility of MYCC will be questioned. How effective it is, because our cost of living is high in the county, you know, how do you look at this? So I don't know, I mean, amending the act just a big step you know, but we could be more transparent, why are we not being transparent? Rather than putting everything under national interest. '

4.5.4.2 Confusion arising from various Acts and Laws

In recent years, many laws and Acts has been introduced to the Malaysian public in the pursuit of preparing the nation to achieve Vision 2020. However, the picture gained from the

FGDs held in Penang and Pahang showed that confusion arises from these various laws and Acts. In fact, it is very noticeable from the discussions itself that the FGDs participants themselves were confused and unable to differentiate the laws and Acts, for example between Profiteering Act and Competition Act, also with Anti-dumping activity. Hence, MyCC has to be proactive in setting specific agenda to enlighten the confusion created by these laws and Acts among consumers.

FGD Penang *'You know that in Malaysia now there are certain industries they are bleeding. If they didn't come together to fix the price, then they'll be gone. For example steel industry is bleeding, right? It is not because of their fault but because importing of steel from China is allowed. The price comes down and it will be the market price. In a way, it's good for consumers because they get cheaper price. However, this market situation even to regulate its quite difficult. We already have this form what we called anti-dumping. So we found that other countries dump into Malaysia and this is another issue. So a lot of these Acts acting against...'*

FGD Penang *'The Acts are overlapping and basically it's like when the Competition Act came, it's suppose to call out on all of these issues. But then they find new law being introduced. And then you find that you can't fully see the purpose of Competition Acts materializing here'.*

FGD Penang *'The conflict of policies/acts needs to be addressed'.*

FGD Pahang *'The case that you mention just now falls under the Profiteering Act whereby the compliant was against a sushi stall that sells Chinese tea. Before this, the tea was sold free and now suddenly was charged. That's why when consumer made a complaint; we investigated under the Profiteering Act, which looks into unreasonable profit making. We understand now we have GST and there are cost increments at the raw material level up to higher level. All these, the Profiteering Unit will check under the Profiteering Act and we do have the power to request for all documents'.*

FGD Pahang *'Now, as an example, take Mc Donalds. You see, across the country, Mc Donald also sells items same price in every state. Now, look at the role of MyCC, I feel that MyCC maybe should be proactive. Mc Donald came up with Happy Meals. You see, today Happy Meals for three months, they can sell at RM5.90 Ok. Six months on the road, they can sell at RM7.90, So, who are we to tell Mc Donald to stop.. Hey, how come three months ago RM5.90 and now RM 7.90 . So, is there profit? Who is to check this? This was given to the consumers. Consumers buy, they don't ask questions, they just go for the kids fun, they just buy. But, we should be more proactive. This should not be'.*

FGD Pahang *'What is my expectation?. Actually, why Malaysia has introduced so many laws? It's because we want to achieve vision 2020 la. Yeah..which is good. But the thing is there's a lot of Acts happening together. Yeah.. you have Profiteering Act, you have Competition*

Act, and all these things..KPDNKK..very, very busy running around laa..because after a new act, another act, they're running around...'

4.5.4.3 Re-branding MyCC

It is suggested that MyCC be given a boost by renaming and rebranding the Commission with a new identity to capture consumers' attention in Malaysia. One particular participant suggested the use of the word 'Suruhanjaya' instead of MyCC in order to strongly and permanently stay in consumer's heart.

***FGD Penang** 'Why not you say Suruhanjaya instead of MyCC? MyCC sometimes in my mindset, Mycard!. So, Suruhanjaya because its Malaysia [cakap melayu lah?] is appointed by Yang Dipertuan Agung you see, if you said something heavy. 'Because when you say, Suruhanjaya Pencegahan Rasuah, it's enlisted, you know that. Yeah, that it's an enforcement party, right? You know that. They have a right. The enforcement power is with them. In our mind, MyCC is My, My.dot com dot my. In my mind, I can never take it seriously, when they start with My? To the general public if you use the word Suruhanjaya, it could mean yeah, something special'.*

***FGD Sabah** 'I think MYCC need to rebrand. Must come up with something because Sabah's industry 'macam tercela, like the exemption, like they don't really believe because of lack of transparency, so they really need to come up with something because this competition is important to Malaysia, especially to Sabah. You know like in Malaysia, the coming of TTPA, we need to prepare, not only with the partners, but the investments need to be competitive. We have to provide something that interesting, to be competitive so we can compete with manufacturers from Thailand, Vietnam and Indonesia which are so competitive, so it is important we need to rebrand with the right advertisements, right channels, with people of high integrity to do the job.'*

4.5.4.4 Usage of Multiple languages

Being a diversified business community, it is recommended that MyCC make use of multi languages (i.e English, Bahasa, Mandarin and Tamil) in communicating its news and information to the public.

***FGD KL** 'If you look at the webpage, it's just in English. Maybe they have to be translated to Bahasa'.*

***FGD KL** 'Maybe you should translate the case studies into Mandarin so that these people [Chinese traders] know. Because in the papers, all news are in English, most of the time'.*

FGD Penang ‘And also the information itself, we have to not just use one language. Multi-languages because the information about the business is for all’.

FGD Sabah ‘And maybe... the lingua franca should be more direct; I think that it would be more effective and that is what our expectation. In Sabah there are many groups, so, should not just use Bahasa Malaysia only.’

4.5.4.5 MyCC’s Website (Pending cases and statistics)

From the FGDs that took place in KL and Sabah, it is noted that participants look forward to updated information on MyCC’s website such as analysis of cases – won, lost etc., in addition to pending cases and statistics. Hence, MyCC’s website need to be kept updated.

FGD KL ‘I think pending cases are not in the website. The ones are decided. I think that are some, some are not....’

FGD KL ‘There should be some analysis, analysis of the cases – what are the end results, where they have won, where they have lost. So that we know, some statistics of how effective.....’

FGD Sabah ‘MyCC should produce the figures of statistics on the concentration ratio because we need to look into full of monopoly in the industry’.

FGD Sabah ‘I think the market is confused, what they can and cannot be done, more examples, more case study’.

4.5.3.6 MyCC’s advertisement

The message gained from the FGDs of KL and Penang is to keep the MyCC’s advertisements simple and easy with colourful pictures added with examples of what can and cannot do.

FGD KL ‘If I look at the cartoons created by MyCC, they try to push too many things in one go instead of just giving the basic anti-competition’.

FGD Penang ‘....should go to ASTRO channel because if you look for a good comparison, you can see in Singapore. How they have educated the general public on competition network, it’s very good. Because I’ve seen some of the advertisements....the introduction is very good, very friendly, very simplified, with colorful pictures...’

FGD Penang 'Advertise on the billboard because pictures tell more story than words. So highlight the ones cannot be done and what is it... A, B, C, D, E... something like these kind of pictures [example]- should not be'.

4.5.4.7 MyCC's Complaint approach/channels

It is recommended that MyCC include in its advocacy and outreach programs the procedural matters of lodging complaints of anti-competitive behavior. It is also recommended by the participants that MyCC proactively look into certain cases rather than only initiate investigations based on public complaints for greater impact among the business community.

FGD Penang '....should have a lot of programs or workshops where MyCC need to collaborate and actually show or actually bring awareness about their roles. With that, to include how to take complaints and how the complaints are investigated and what is the result. The results to include not only that they going to be fined, but also by doing this what's going to be the benefit to the industries, to the sectors and also to consumers and everybody.

FGD Penang 'If want to wait for people to complaint, then you want to wish for that to happen than... you need to go to the ground. To the ground to be proactive you know that certain things yourselves... choose the cases you want to check. Not only based on complaints received'.

FGD Pahang [An Example] 'I have made a compliant to KPDNKK...on profiteering of nasi kukus. Previously the charge was RM7, now RM8.90. If an increase of 6%, the charge won't be RM8.90. I am very sad...the officer said don't worry, be patient. Ok. I am patient but after half a year, still no feedback and the seller still selling at RM8.90. The officer had asked for the receipt to be scanned but I don't have a scanner. When I asked if I can whatsapp, the officer said cannot give his hand phone number, no official hand phone number. So, how now? I think the approach need to be changed'.

4.6 Analysis for the SMEs respondents

The statistical definition of a small and medium enterprise (SMEs) differs from one country to another. In Malaysia, the definition and criteria of an SME have been set by the National SME Development Council. An establishment is classified as an SME if it meets either one of the two criteria; based on the number of full-time employees and value of annual sales turnover. This definition has been introduced in the Census of Establishments and Enterprises

2005. Table 4.26 summarizes the SME definitions for the manufacturing (including mining and quarrying), services and agriculture sectors.

Table 4.26
Classification of SMEs in Malaysia

Item	Manufacturing	Services and other sectors
Full-time employees indicator		
Micro	Less than 5	Less than 5
Small	From 5 - 75	From 5 – 30
Medium	From 75 – 200	From 30 – 75
Annual sale turnover indicator		
Micro	Less than RM 300,000	Less than RM 300,000
Small	RM 300,000-RM15mil	RM 300,000-RM15mil
Medium	RM15m – RM50mil	RM 3mil – RM 20 mil

(Source: SMECorp.Malaysia)

4.6.1 Business Characteristics and Respondent Background

A total of 154 respondents of SMEs were involved in this research which consist of 94 services (61%), 44 manufacturing (29%), 7 construction (4%), 6 agriculture (4%) and 3 mining (2%) companies as shown in Figure 4.16.

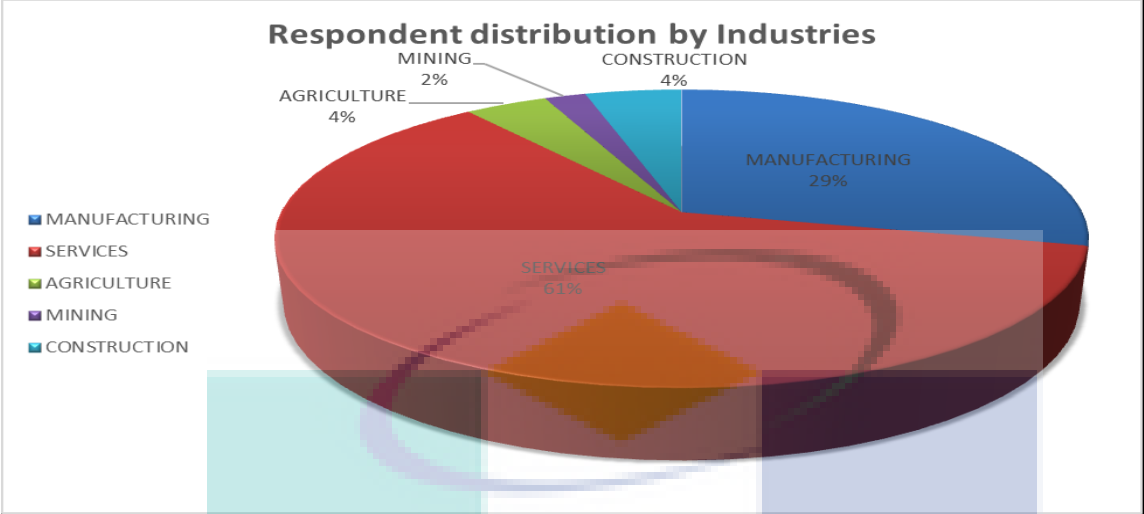


Figure 4.16
 Respondent distribution by Industries
 By referring to Figure 4.17, it is certain that most of the respondents were from Penang (31.8%) followed by Melaka (13.6%).

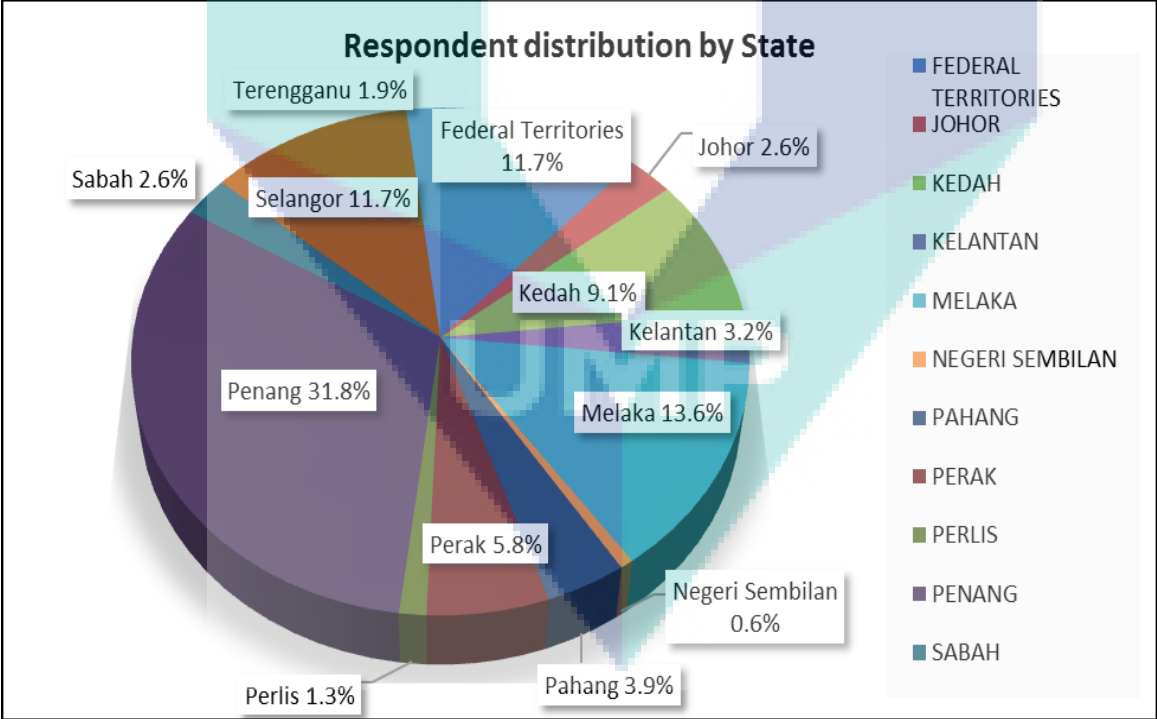


Figure 4.17
 Respondent distribution by state

4.6.2 Awareness of MyCC and CA 2010

The respondents were asked whether they are aware of MyCC's existence. The survey indicated that only 67.5% of total respondents noticed the existence of MyCC. If the respondents have heard about MyCC, they were further requested to indicate 16 possible sources of obtaining information about MyCC (Appendix 2: Question no. 32 in the questionnaire). Figure 4.18 shows that Internet, MyCC website, newspaper and television/radio were perceived to be the most important mode of accessing of information by businesses.

The high level of awareness on the existence of MyCC also implies a high level of awareness on the CA 2010. Results indicated that 56.5% of the total respondents were aware about CA 2010. Among the 16 sources of information - Internet, MYCC, newspaper, television/radio and MYCC publication were the most important channel of information dissemination rated by the group.

Overall, the level of knowledge on the existence of MyCC and CA 2010 is very high. The scoring for knowledge was combined into five categories: "a lot", "a fair amount", "not very much", "have heard of it but know nothing about it" and "never heard of it". Results indicated that below 50% of the total respondents never heard about MyCC and CA 2010.

*Source of Awareness of the Existence of MyCC and CA2010
(in percentage)*

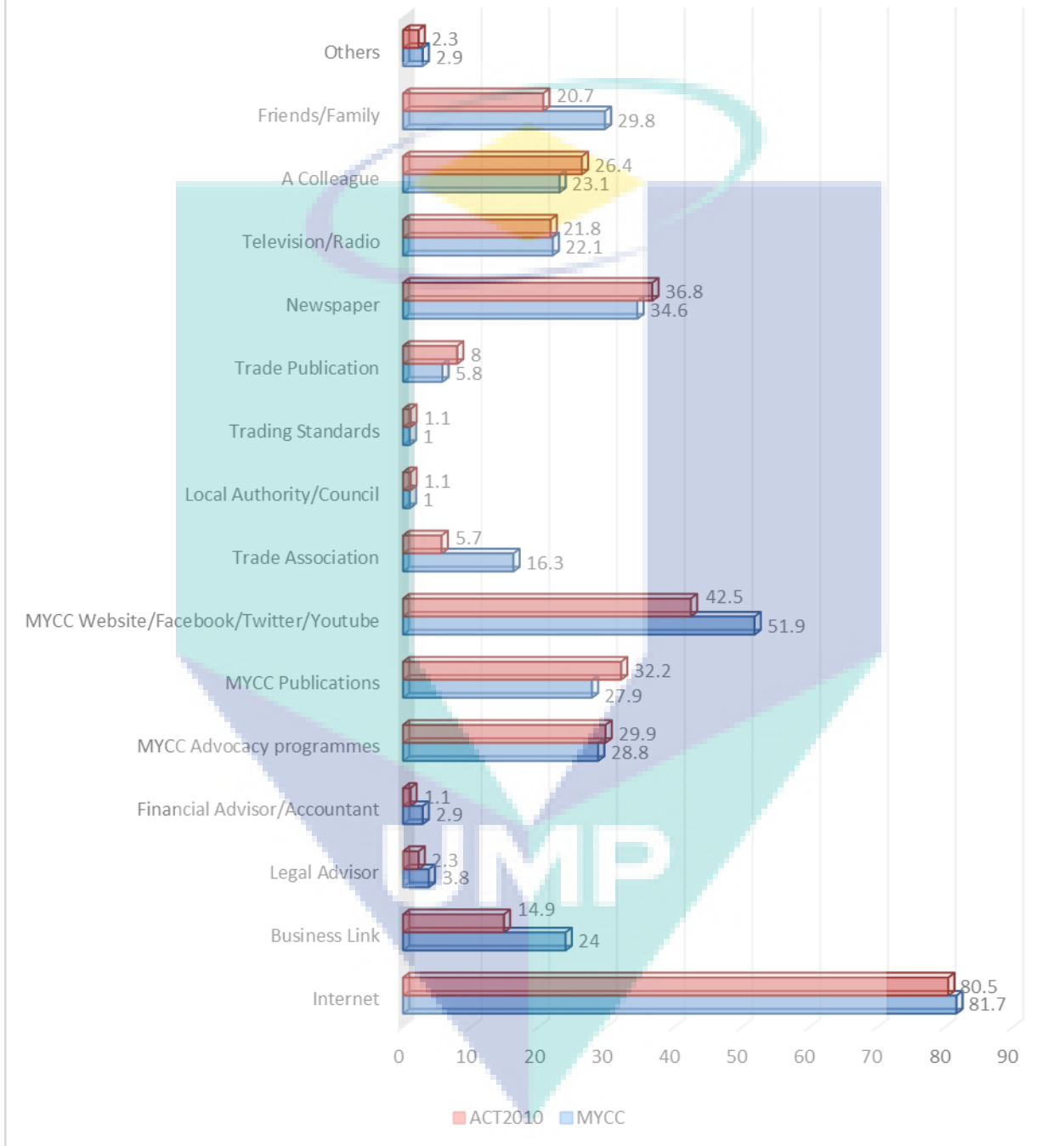


Figure 4.18
Source of Awareness of the existence of MyCC and CA2010

4.6.3 Level of Awareness by States, Market Structures and Sectors

In this section, the level of awareness of MyCC and CA 2010 is discussed across states, market structures and sectors.

Results for the awareness level of MyCC are summarized as follows (for detail see Table 4.27):

- Almost all responding businesses in every state were aware of the existence of MyCC. Extreme observations are coming from Negeri Sembilan and Perlis where 100% of responding businesses had awareness of MyCC. In reference to Figure 4.19, the percentage of responding businesses that knew about the existence of MyCC is also high from the following states: Selangor (88.9%), Johor (75%), Penang (73.5%) and Federal Territories (61.1%). However, the highest responding businesses that had is not aware about MyCC is from Terengganu (66.7%). Only 11.1% of responding businesses in Selangor never heard about MyCC and 25% in Johor.

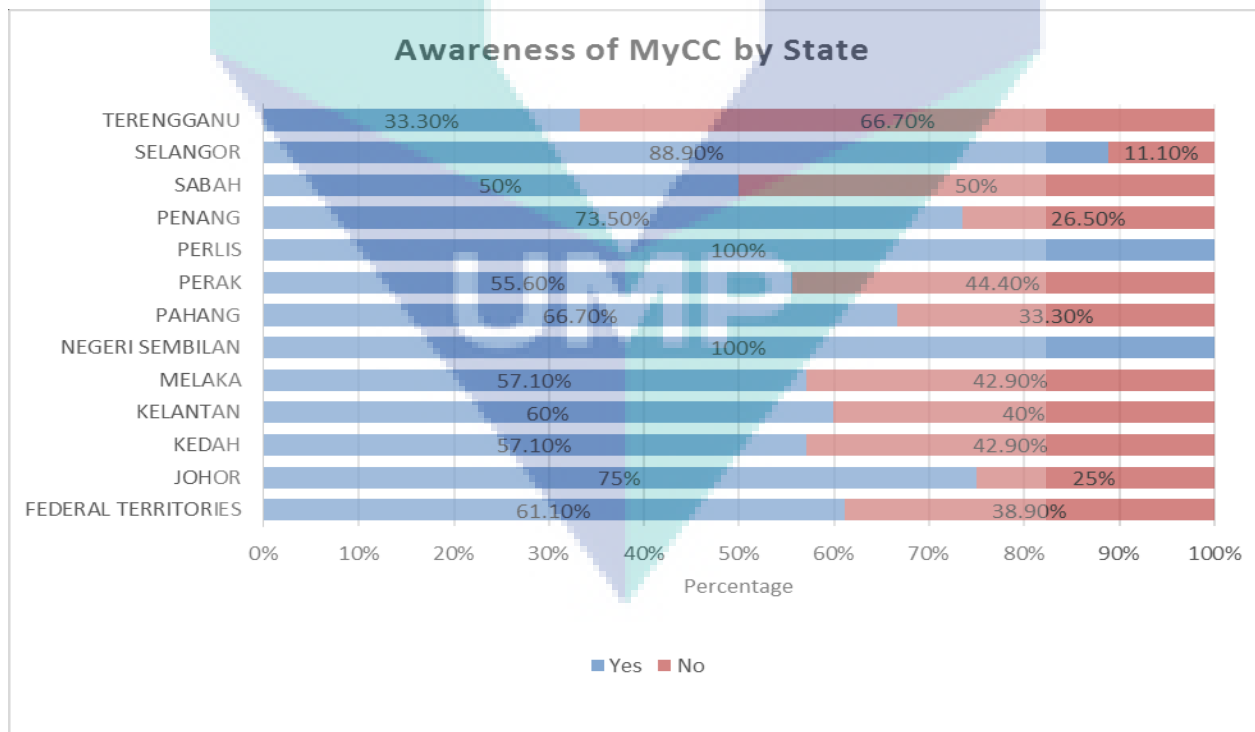


Figure 4.19
Awareness of MyCC by State

Knowledge about MyCC by state can be seen in Figure 4.20. Although a small percentage, Kedah and Perak have respondents who have never heard about MyCC. Federal territories, Kedah, Perak and Penang have respondents who know a fair amount of MyCC.

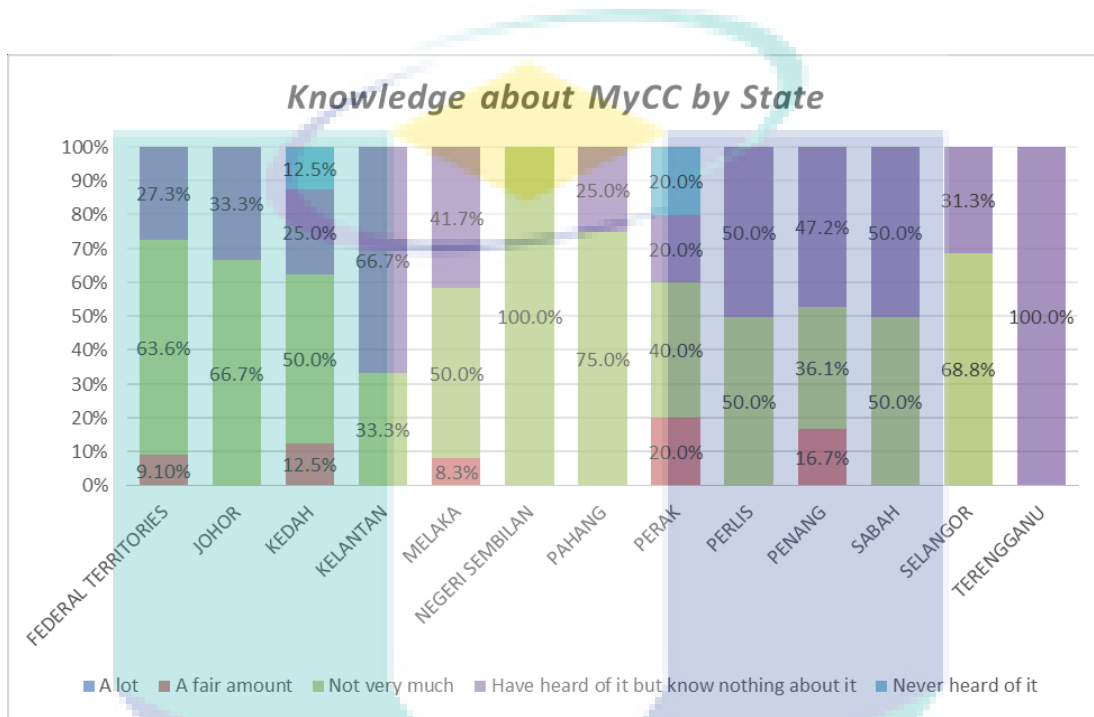


Figure 4.20 Knowledge about MyCC by State

- Awareness level and of MyCC are closely associated with business sizes. Construction industry, medium sized and micro enterprises, has 100 percent level of awareness. Level of awareness is 100 percent for small, medium and micro sized enterprises for Mining and Agriculture sector. Awareness level of MyCC is lower in manufacturing and services as compared to the three industries- construction, agriculture and mining. This can be seen in Figure 4.21.

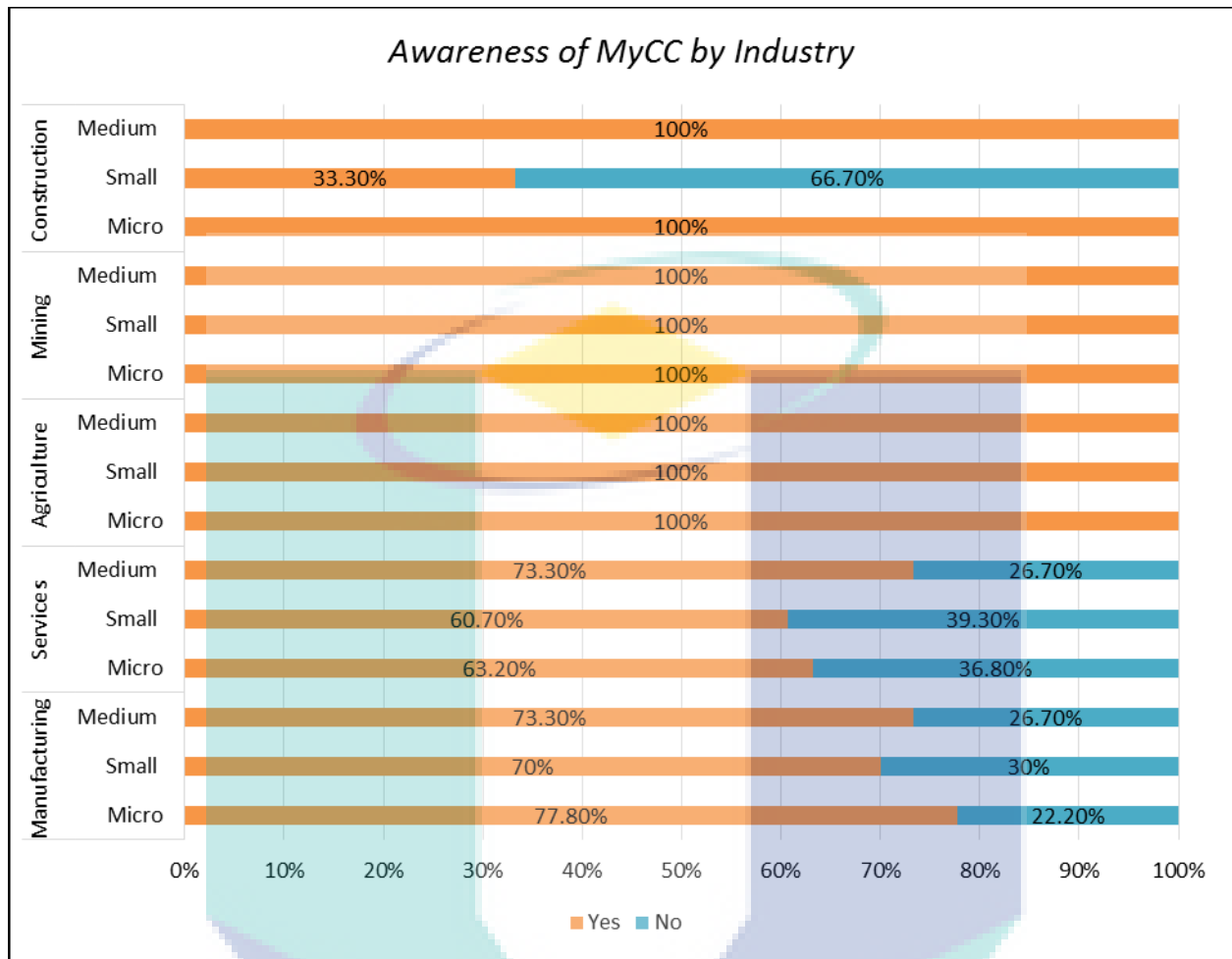


Figure 4.21
Awareness of MyCC by Industry

As for knowledge of MyCC according to Industry, Agriculture and Mining has respondents with a fair amount of knowledge about MyCC. However, some respondents in the Mining industry have heard about it but know nothing about it.

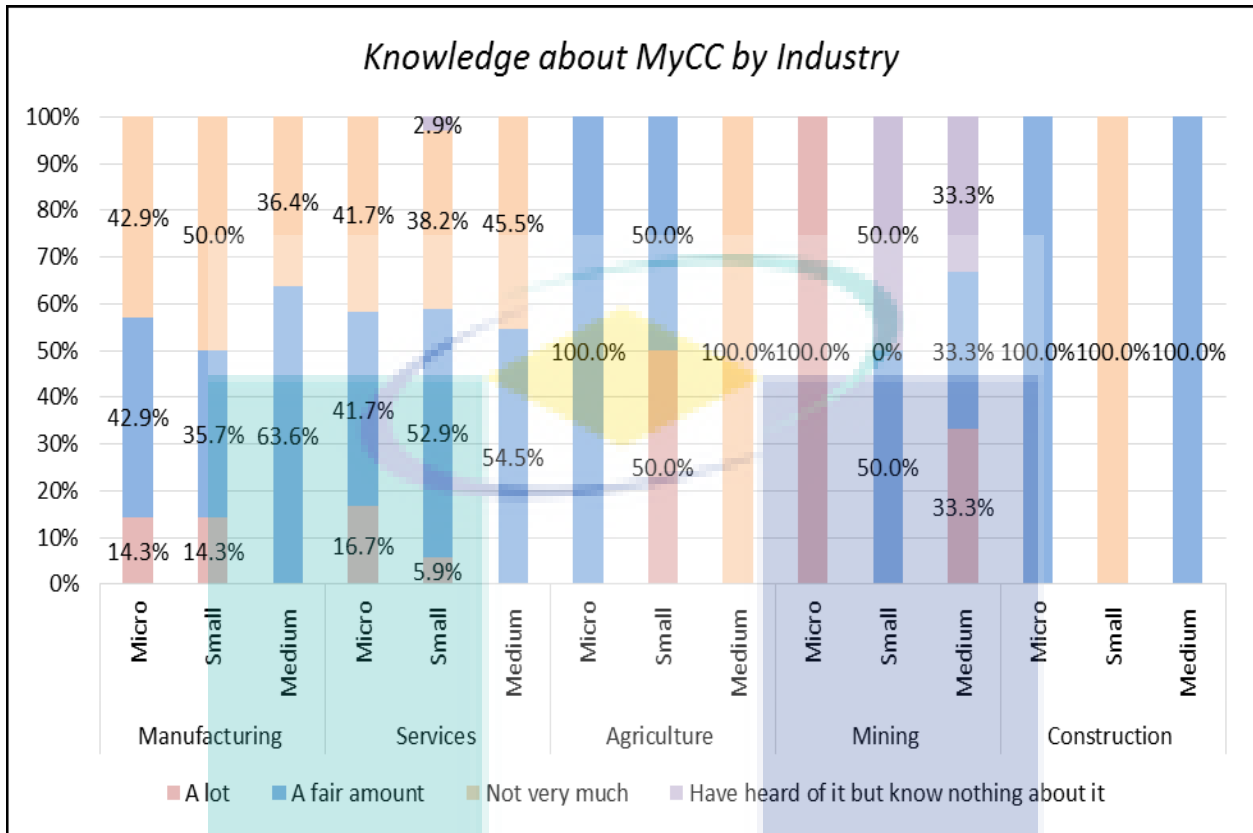


Figure 4.22
Knowledge about MyCC by Industry

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Table 4.27
Level of Awareness and Knowledge of MyCC

Awareness of MyCC				Knowledge about MyCC				
	Sample (N)	Yes	No	A lot	A fair amount	Not very much	Heard but know nothing	Never heard
States								
Federal territories	18	61.1 (11)	38.9 (7)	0.0	9.1	63.6	27.3	0.0
Johor	4	75.0 (3)	25.0 (1)	0.0	0.0	66.7	33.3	0.0
Kedah	14	57.1 (8)	42.9 (6)	0.0	12.5	50.0	37.5	0.0
Kelantan	5	60.0 (3)	40.0 (2)	0.0	0.0	33.3	66.7	0.0
Melaka	21	57.1 (12)	42.9 (9)	0.0	8.3	50.0	41.7	0.0
Negeri Sembilan	1	100 (1)	0.0 (0)	0.0	0.0	100	0.0	0.0
Pahang	6	66.7 (4)	33.3 (2)	0.0	0.0	75.0	25.5	0.0
Perak	9	55.6 (5)	44.4 (4)	0.0	20.0	40.0	40.0	0.0
Perlis	2	100 (2)	0.0 (0)	0.0	0.0	50.0	50.0	0.0
Penang	49	73.5 (36)	26.5 (13)	0.0	16.7	36.1	47.2	0.0
Sabah	4	50.0 (2)	50.0 (2)	0.0	0.0	50.0	50.0	0.0
Sarawak	0	0.0 (0)	0.0 (0)	0.0	0.0	0.0	0.0	0.0
Selangor	18	88.9 (16)	11.1 (2)	0.0	0.0	68.8	31.3	0.0
Terengganu	3	33.3 (1)	66.7 (2)	0.0	0.0	0.0	100.0	0.0
Market structures								
Domestic	117	66.7 (78)	33.3 (39)	0.0	10.3	51.3	38.5	0.0
Export	8	87.5 (7)	12.5 (1)	0.0	28.6	42.9	28.6	0.0
Both	29	65.5 (19)	34.5 (10)	0.0	0.0	47.4	52.7	0.0
Manufacturing								
Micro	9	77.87 (7)	22.2 (2)	0.0	14.3	42.9	42.9	0.0
Small	20	70.0 (14)	30.0 (6)	0.0	14.3	35.7	50.0	0.0
Medium	15	73.3 (11)	26.7 (4)	0.0	0.0	63.6	36.4	0.0
Services								
Micro	20	65 (13)	35 (7)	0.0	16.7	41.7	41.7	0.0
Small	57	61.4 (35)	38.6 (22)	0.0	5.9	52.9	41.1	0.0
Medium	17	76.5 (13)	23.5 (4)	0.0	0.0	54.5	45.5	0.0
Agriculture								
Micro	1	100 (1)	0.0 (0)	0.0	0.0	100	0.0	0.0
Small	4	100 (4)	0.0 (0)	0.0	50.0	50.0	0.0	0.0
Medium	1	100 (1)	0.0 (0)	0.0	0.0	0.0	100	0.0

Table 4.27
Level of Awareness and Knowledge of MyCC (continue)

Construction								
Micro	1	100 (1)	0.0 (0)	0.0	0.0	100	0.0	0.0
Small	3	33.3 (1)	66.7 (2)	0.0	0.0	0.0	100	0.0
Medium	3	100 (3)	0.0 (0)	0.0	0.0	100	0.0	0.0
Mining								
Micro	1.0	100 (1)	0.0 (0)	0.0	0.0	100	0.0	0.0
Small	2.0	100 (2)	0.0 (0)	0.0	0.0	50.0	50.0	0.0

The level of awareness of MyCC for domestic-driven and export-oriented businesses did not differ significantly. Results showed that 66.7% of domestic-driven businesses were aware of MyCC's existence while 87.5% representing the export-oriented businesses. The level of knowledge about MyCC was higher for export-oriented businesses compared to domestic-driven businesses. Specifically, 28.6% of export-oriented businesses had a fair amount of knowledge with respect to MyCC as compared to only 10.3% for domestic-driven businesses.

Results for the awareness level of CA 2010 summarized as follows (for detail see Table 4.28)

- The results showed that awareness level of CA 2010 across all states is considerably similar with the level of awareness of MyCC. Figure 4.23 below depicted the highest percentage score for awareness of CA 2010, 100% from Perlis and followed by three states: Johor (75%), Sabah (75%) and Penang (65.3%). Figure 4.21 above showed that majority of all states showed that they have knowledge about CA 2010 but not very much of it. Meanwhile, Kelantan (33.3%), Kedah (25%), Federal Territories (16.7%), Penang (12.5) and Melaka (10%) have a lot of knowledge about CA 2010. The only exceptions were Kedah with 12.5% and Penang with 3.1% of responding businesses recorded that they had never heard of CA 2010.

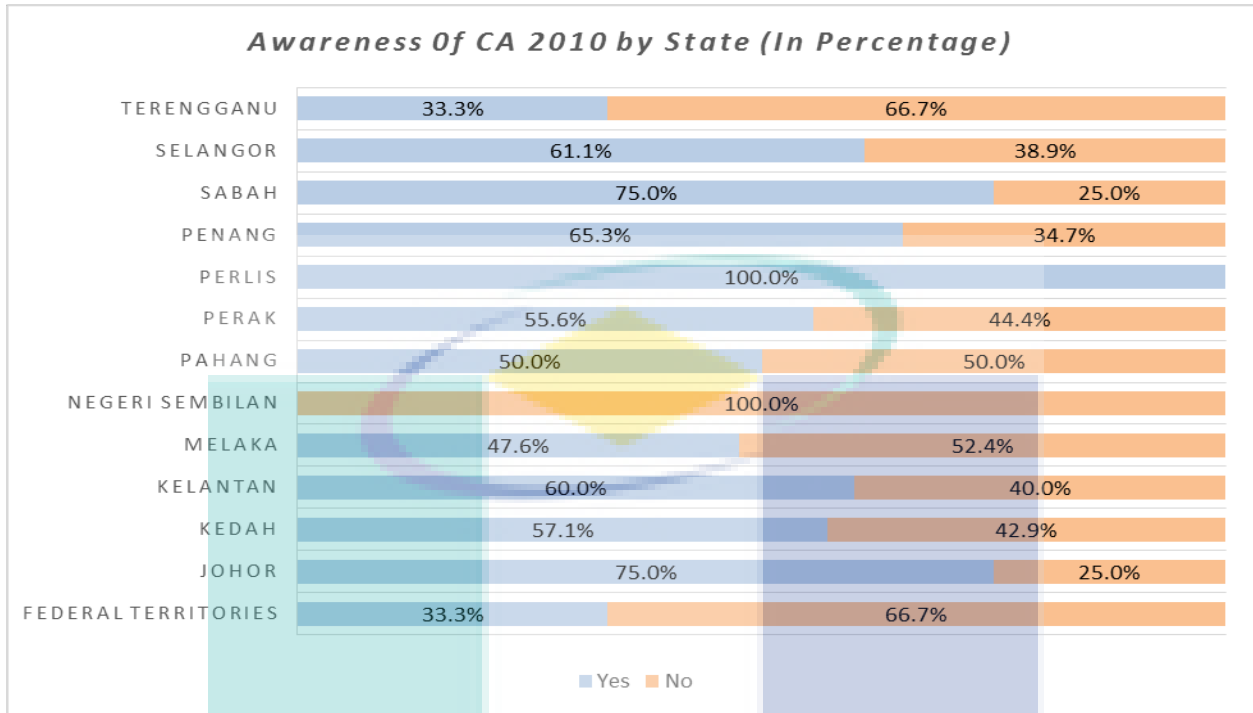


Figure 4.23
Awareness of CA 2010 by State

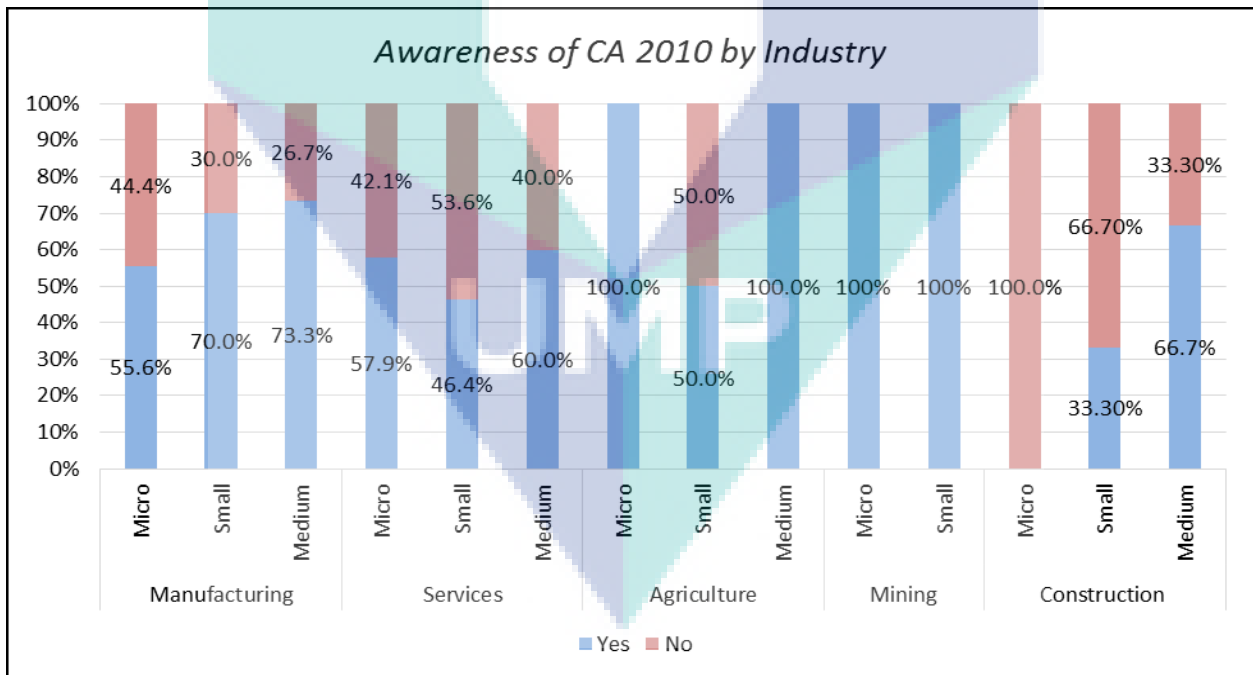


Figure 4.24
Awareness of CA 2010 by Industry

Table 4.28
Level of Awareness and Knowledge of CA 2010

Awareness of CA 2010				Knowledge about CA 2010				
	Sample (N)	Yes	No	A lot	A fair amount	Not very much	Heard but know nothing	Never heard
States								
Federal territories	18	33.3 (6)	66.7 (12)	16.7	16.7	50.0	16.7	0.0
Johor	4	75.0 (3)	25.0 (1)	0.0	0.0	66.7	33.3	0.0
Kedah	14	57.1 (8)	42.9 (6)	25.0	25.0	12.5	37.5	0.0
Kelantan	5	60.0 (3)	25.0 (2)	33.3	33.3	33.3	0.0	0.0
Melaka	21	47.6 (10)	52.4 (11)	10.0	10.0	50.0	30.0	0.0
Negeri Sembilan	1	0.0 (0)	100 (1)	0.0	0.0	100	0.0	0.0
Pahang	6	50.0 (3)	50.0 (3)	0.0	33.3	33.3	33.3	0.0
Perak	9	55.6 (5)	44.4 (4)	0.0	20.0	40.0	40.0	0.0
Perlis	2	100.0 (2)	0.0 (0)	0.0	0.0	50.0	50.0	0.0
Penang	49	65.3 (32)	34.7 (17)	12.5	15.6	31.3	40.6	0.0
Sabah	4	75.0 (3)	25.0 (1)	0.0	0.0	33.3	66.7	0.0
Sarawak	0	0.0 (0)	0.0 (0)	0.0	0.0	0.0	0.0	0.0
Selangor	18	61.1 (11)	38.9 (7)	0.0	9.1	72.7	18.2	0.0
Terengganu	3	33.3 (1)	66.7 (2)	0.0	0.0	0.0	100	0.0
Market structures								
Domestic	117	53.8 (63)	46.2 (54)	12.7	14.3	39.7	33.4	0.0
Export	8	87.5 (7)	12.5 (1)	0.0	28.6	57.1	14.3	0.0
Both	29	58.6 (17)	41.4 (12)	5.9	11.8	35.3	47.1	0.0
Manufacturing								
Micro	9	55.6 (5)	44.4 (4)	0.0	0.0	60.0	40.0	0.0
Small	20	70.0 (14)	30.0 (6)	21.4	14.3	28.6	35.7	0.0
Medium	15	73.3 (11)	26.7 (4)	9.1	18.2	45.5	27.3	0.0
Services								
Micro	20	57.9 (12)	42.1 (8)	0.0	27.3	45.5	27.3	0.0
Small	57	46.4 (27)	53.6 (30)	11.5	7.7	38.5	42.3	0.0
Medium	17	60.0 (11)	40.0 (6)	0.0	11.1	44.4	44.4	0.0
Agriculture								
Micro	1	100 (1)	0.0 (0)	100	0.0	0.0	0.0	0.0
Small	4	50.0 (2)	50.0 (2)	0.0	50.0	50.0	0.0	0.0
Medium	1	100 (1)	0.0 (0)	100	0.0	0.0	0.0	0.0

Table 4.28
Level of Awareness and Knowledge of CA 2010 (Continue)

Construction								
Micro	1	0.0 (0)	100 (1)	0.0	0.0	100	0.0	0.0
Small	3	33.3 (1)	66.7 (2)	0.0	0.0	0	100	0.0
Medium	3	66.7 (2)	33.3 (1)	0.0	0.0	100	0.0	0.0
Mining								
Micro	1	100 (1)	0.0 (0)	0.0	100	0.0	0.0	0.0
Small	2	100 (2)	0.0 (0)	0.0	50.0	0.0	50.0	0.0

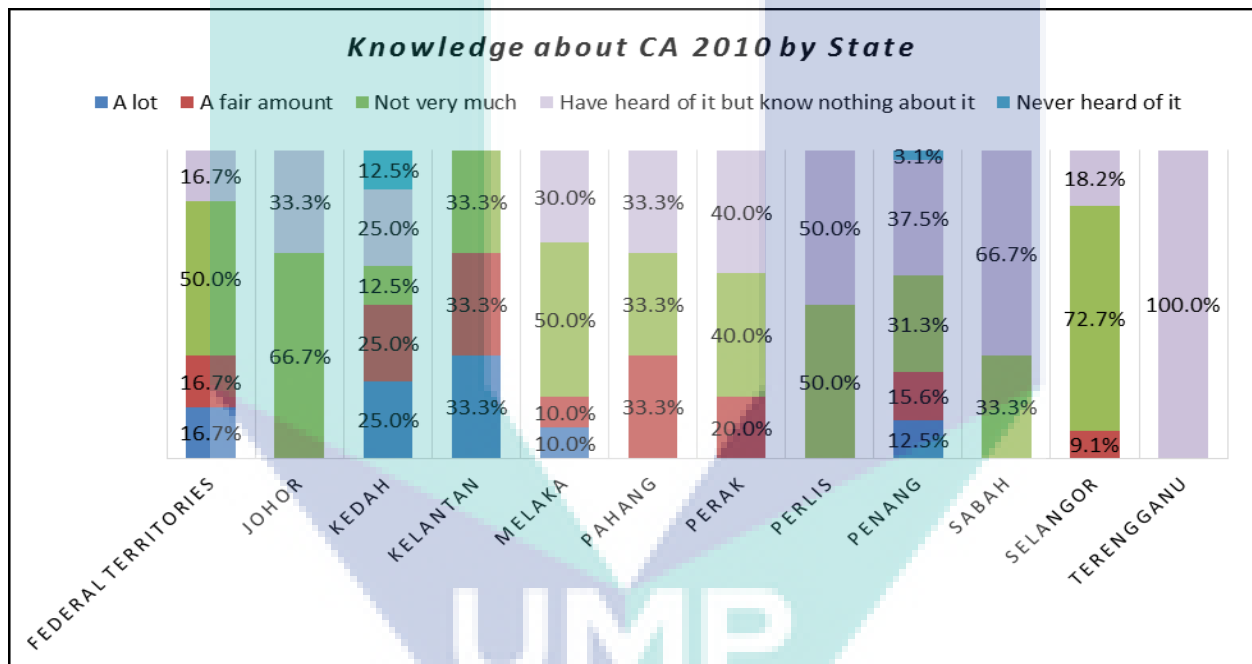


Figure 4.25
 Knowledge about CA 2010 by State

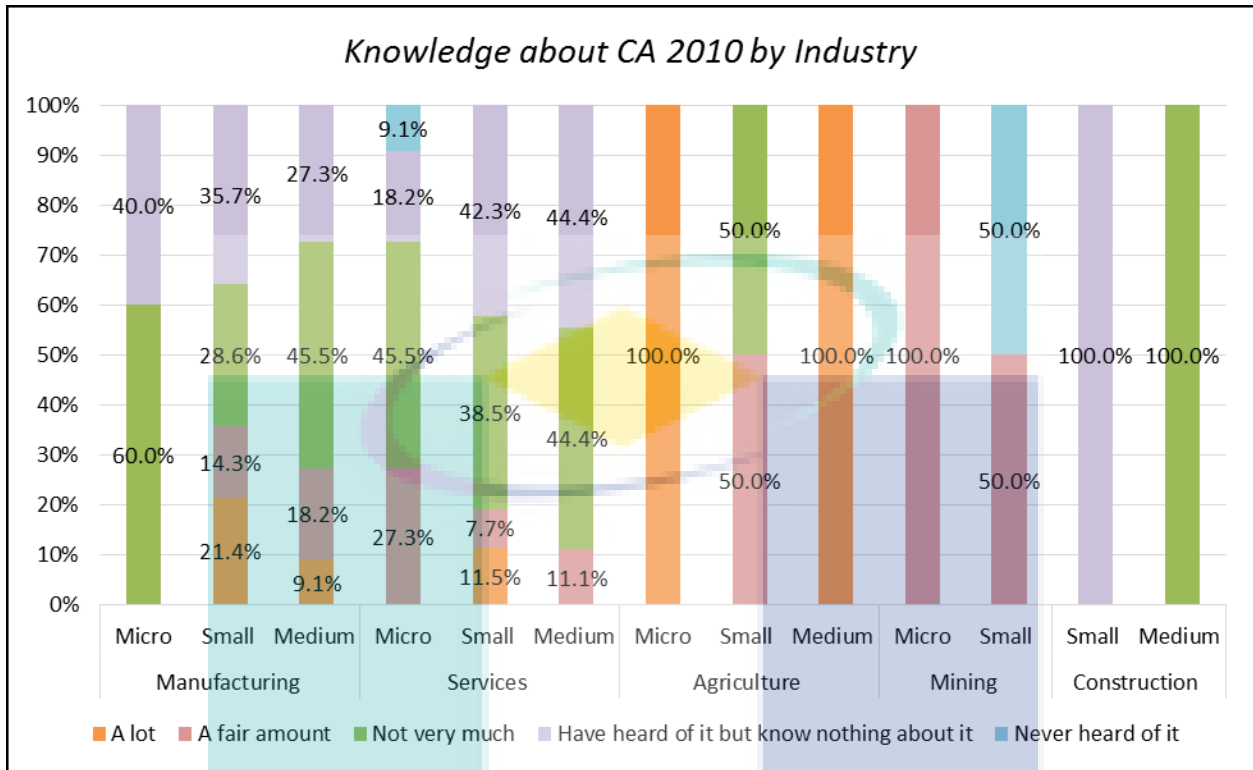


Figure 4.26
Knowledge about CA 2010 by Industry

- For all sectors, the pattern of the level of awareness of CA 2010 is more or less similar to the level of awareness of MyCC. Figure 4.26 showed that, majority of the business sizes in the industry as being the least knowledgeable about CA 2010. However, for agriculture micro and medium size companies indicated 100% knowledge about CA 2010. Only 50% small companies in the mining sector have never heard about CA 2010.
- The awareness level of CA 2010 for domestic-driven businesses is considerably good as more than half of respondents 53.8% of domestic-driven businesses were aware of the CA 2010. For the export-oriented businesses, the level of awareness of CA 2010 was higher than the domestic-driven businesses. However, the level of knowledge about CA 2010 for domestic-driven businesses was higher compared to export-oriented businesses with having a lot of knowledge with respect to CA 2010.

4.6.4 Knowledge of Illegal Practices

In order to understand further what businesses knew about competition law, respondents were asked to identify whether the following practices are illegal or not. As shown in Table 4.29, generally, respondents have some knowledge and are able to correctly differentiate between legal and illegal practices under the CA2010.

As shown in Figure 4.27, almost half of respondents (54.5% to 64.9%) identified that all nine practices are illegal and about 11.7% to 20.8% agreed that it is illegal under certain circumstances. The proportion of correct answers to be higher than incorrect ones indicating that even with moderate awareness of the existence of CA 2010, businesses still have a good deal of understanding about legal and illegal practices. Nevertheless, there are about 6.5% to 14.9% of respondents who have categorized those practices as permissible, while 11% to 17.5% had no idea at all.

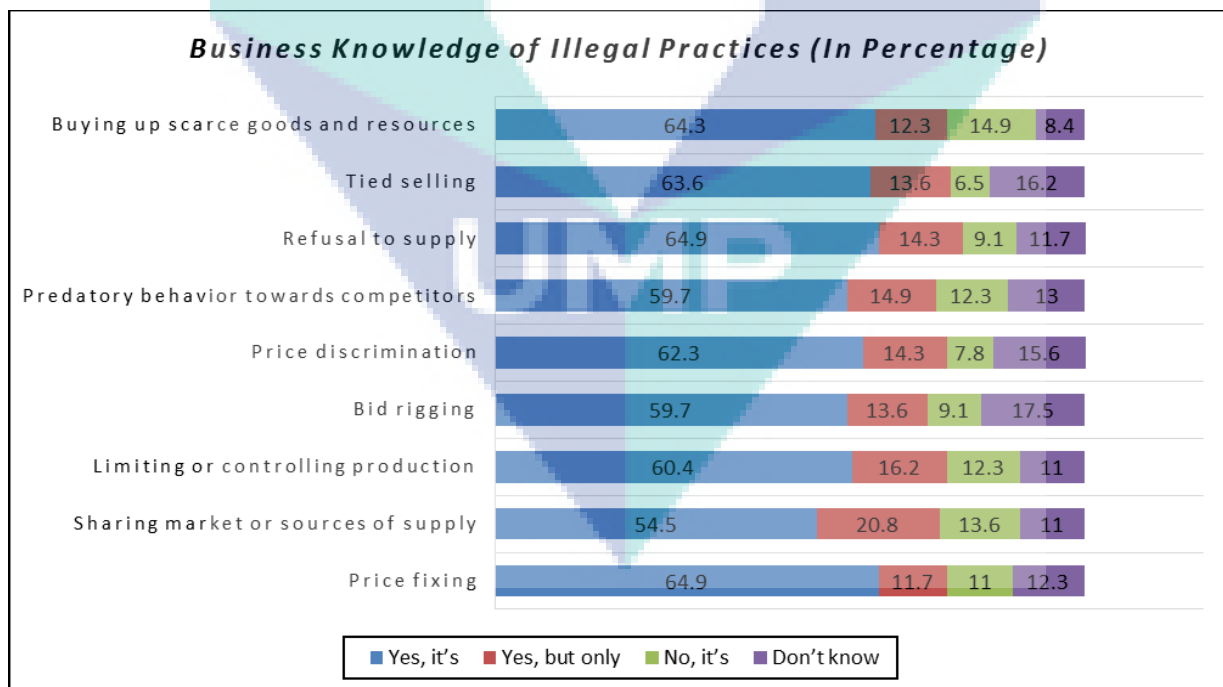


Figure 4.27
Business Knowledge of Illegal Practices

Table 4.29
Business Knowledge of Illegal Practices

	Yes, it's illegal (%)	Yes, but only under certain circumstances (%)	No, it's legal (%)	Don't know (%)
Price fixing	64.9	11.7	11.0	12.3
Sharing market or sources of supply	54.5	20.8	13.6	11.0
Limiting or controlling production	60.4	16.2	12.3	11.0
Bid rigging	59.7	13.6	9.1	17.5
Price discrimination	62.3	14.3	7.8	15.6
Predatory behavior towards competitors	59.7	14.9	12.3	13.0
Refusal to supply	64.9	14.3	9.1	11.7
Tied selling	63.6	13.6	6.5	16.2
Buying up scarce goods and resources	64.3	12.3	14.9	8.4

4.6.5 Breaching of the Competition Law

Table 4.30
Perceived Breaches in Competition Law

	Anti-competitive agreements		Abuse of dominant position	
	(%)		(%)	
	State	Sector	State	Sector
Yes	70.1	64.9	77.2	72.1
Not sure	23.4	26.0	17.5	16.2
No	6.5	9.1	5.1	11.7

The respondents were asked whether businesses in their state and sector have violated the competition law by having anti-competitive agreement and abuse of dominant position. The percentage of respondents having thoughts about breaches in the state or sector type as “Yes”, “Not sure”, and “No” was calculated and shown in Table 4.30. The results showed that most

respondents were of the opinion that their companies “probably” are involved in both anti-competitive agreements in each state and sector (state: 70.1%, sector: 64.9%) and abuse of dominant position (state: 77.2%, sector: 72.1%).

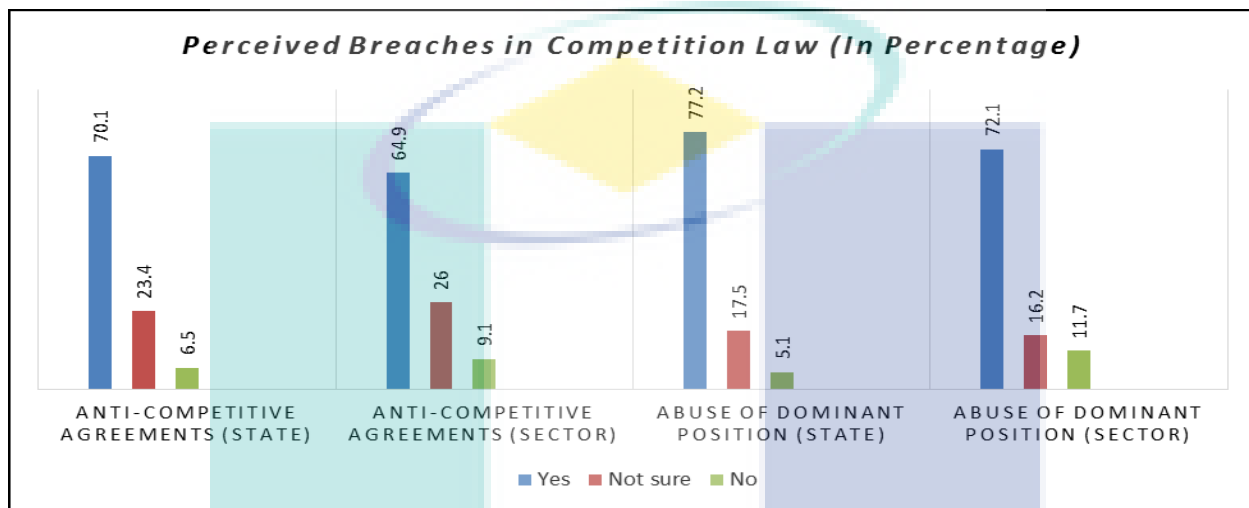


Figure 4.28
Perceived Breaches in Competition Law

Figure 4.28 depicted that approximately, 6.5% and 9.1% of respondents thought that businesses in their state and sector have violated the competition law by having anti-competitive agreements and abuse of dominant position. Only 5.1% and 11.7% of respondents believed that breaches in competition law did not happen in their state or sector.

4.6.6 Experience with Illegal Practices

As shown in Table 4.31, majority of respondents never came across anti-competitive agreement (62.3%) in the last five years such as price fixing and bid ringing, as well as abuse of dominant position (66.2%) like predatory pricing and discriminatory pricing.

Only 37.7% and 33.8% of respondents has experienced anti-competition agreements and abuse of dominant position, respectively. This is in line with percentage of changed arrangement made by these businesses in the last two years. Majority of businesses (71.4%) claimed that they

have not abandoned or changed arrangements with other firms in the last two years because of the risk of infringing competition law, while only 28.6% say they have abandoned or changed their arrangements.

Table 4.31
Experience with Illegal Practices

	Illegal Practices		Abandoned or changed arrangements with other firms
	Anti-competitive agreement	Abuse of dominant position	
Yes (%)	37.7	33.8	28.6
No (%)	62.3	66.2	71.4

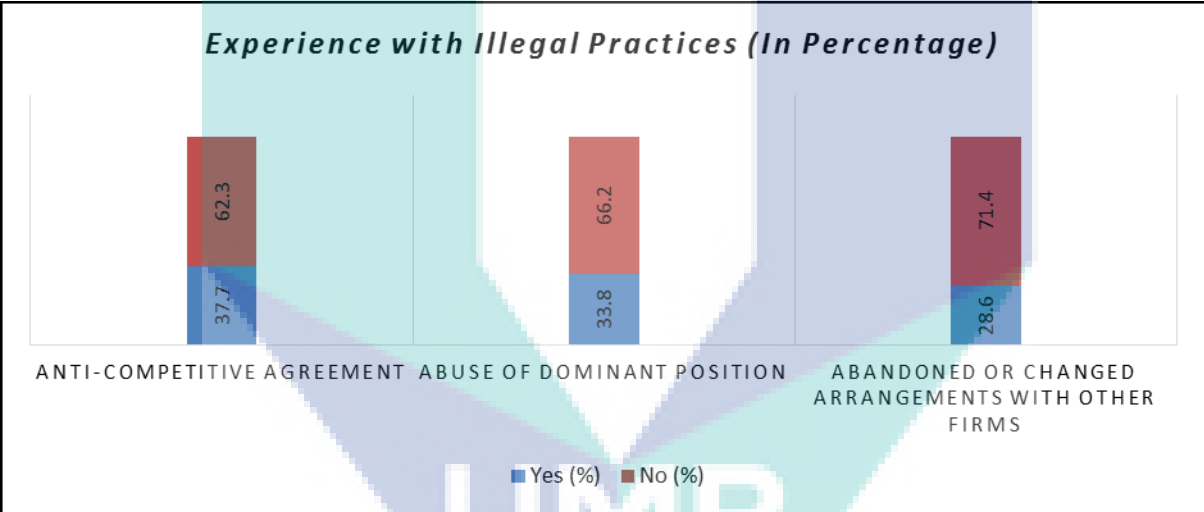


Figure 4.29
Experience with Illegal Practices

4.6.7 Consequences of Non-Compliance

In this section, the respondents were asked whether businesses knew what the consequences of breaching of competition law were.

Table 4.32
Consequences of Non-compliance

Consequences	Yes (%)	No (%)	Don't Know (%)
Forced to stop the activities contravening the act	69.5	7.8	22.7
Investigation by MyCC	66.9	10.4	22.7
Directors can be disqualified	63.0	11.0	26.0
Criminal penalties for individuals involved in hard-core cartels	66.2	13.0	20.8
Can be taken to court by any injured party in pursuit of damages	70.1	7.8	22.1
Fine up to 10% of its worldwide turnover	61.7	13.0	25.3
Fine, amount dependent of variety of factors	66.2	8.4	25.3
Fine, don't know amount	64.3	8.4	27.3

The results in Table 4.32 indicated that across the eight consequences, the higher percentage of consequences - can be taken to court by any injury party in pursuit of damages having 70.1%. On average, 64.3% of businesses do not know what the consequences of non-compliances were.

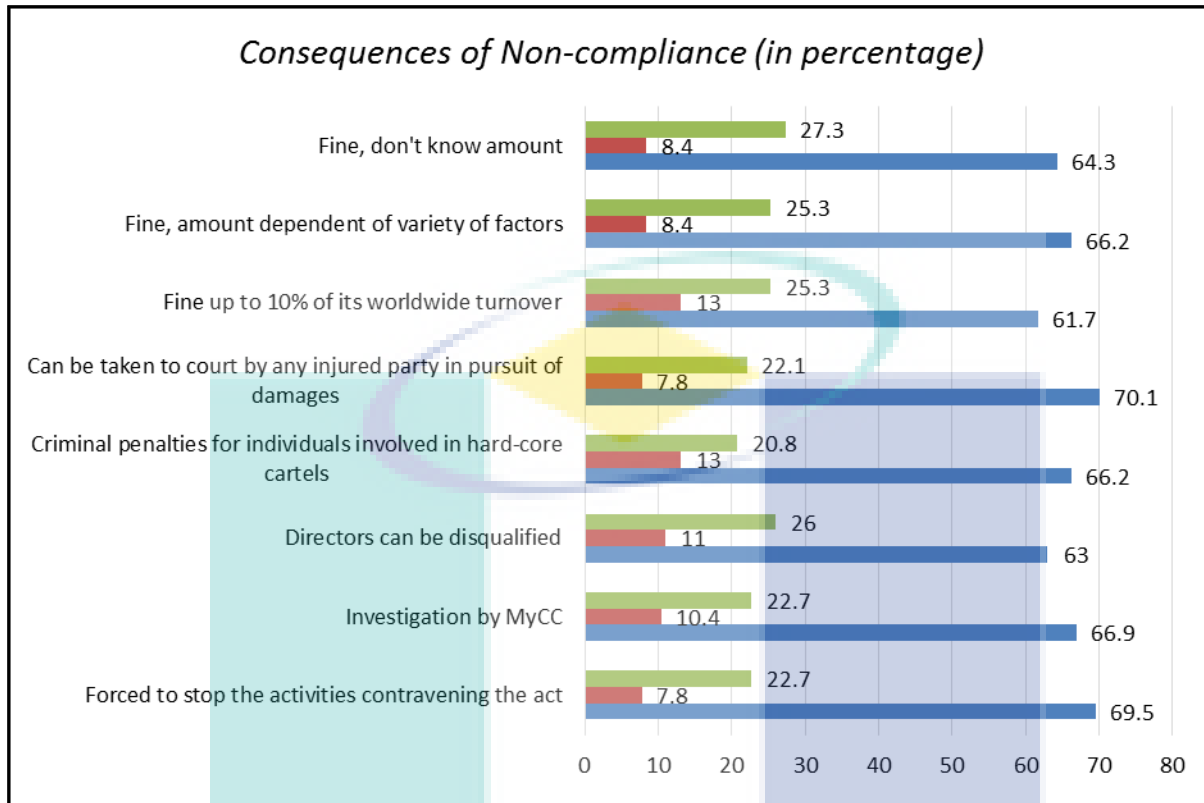


Figure 4.30
Consequences of Non-compliance

4.6.8 Source of Further Information about the CA 2010

In the last part of this survey, respondents were asked where they would go if they needed further information about competition law. The businesses' choice of source for further information is depicted in Table 4.33 from the highest rank to the lowest. Majority of businesses (80.5%) would choose the internet as a source to obtain information. Aside from the internet, respondents prefer to utilize media as a platform to seek information about the law such as newspapers (36.8%). About 29.9% of businesses would choose MyCC, and a very small percentage of them would ask their financial adviser/accountant (1.1%) and refer to trading standards (1.1%).

Table 4.33
Source of Further Information

Sources	Percentage
Internet	80.5
Newspaper	36.8
TV/ Radio	21.8
Friends/ Family	20.7
Malaysia Competition Commission (MyCC)	29.9
Business Link	14.9
A Colleague	26.4
Local authority/ council	1.1
Legal adviser	2.3
Trade publication	8.0
Trade association	5.7
Financial adviser/ accountant	1.1
Trading standards	1.1

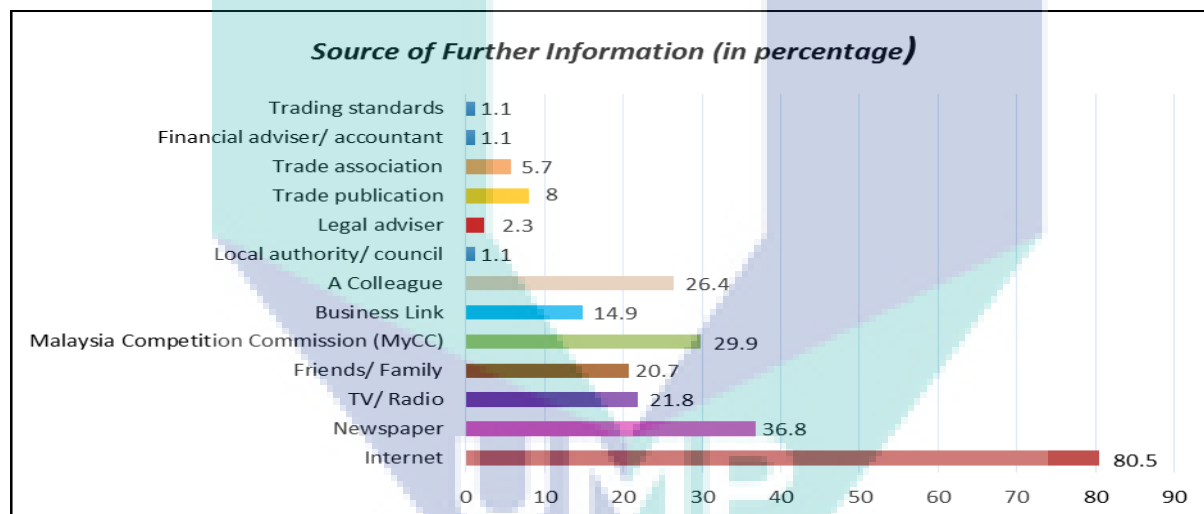


Figure 4.31
 Source of Further Information

4.6.9 Association of Awareness Level of MyCC and Business Characteristics/Respondent Background

Table 4.34 presented the association between awareness and knowledge of MyCC towards the following business characteristics as well as respondents' background. States, market structures, sectors, ownership, and position were found to be significantly associated

with awareness and knowledge of MyCC. Thus, the extent to which MyCC is known among businesses is highly dependent on these five factors. However, awareness and knowledge of MyCC does not correlate with number of employees in an organization, as well as with its annual revenue.

Table 4.34
Association of awareness level of MYCC and business characteristics/respondents' background

	Awareness of MyCC			Knowledge of MyCC		
	χ^2	df	p	χ^2	df	p
States	43.794	14	0.012	53.435	43	0.001
Market structures	2.031	13	0.023	67.943	13	0.017
Sectors	1.122	11	0.007	3.098	18	0.014
Ownership	3.056	4	0.005	2.546	14	0.015
Size of employees	18.723	15	0.325	16.547	15	0.762
Annual Revenue	13.284	16	0.232	21.970	19	0.125
Position	3.483	15	0.003	2.871	11	0.012

4.6.10 Association of Awareness Level of CA 2010 and Business Characteristics/Respondent Background

The association between awareness level of CA 2010 and business characteristics/respondents' background is depicted in Table 4.35. Similar to MyCC, the awareness level of CA 2010 is associated significantly with states, market structures, sectors, ownership, and position since the p-value is less than the significance level of 0.05. Independent relationship is also found between awareness level of CA 2010 and size of employees and annual revenue.

Table 4.35

Association of awareness level of CA 2010 and business characteristics/respondents' background

	Awareness of CA 2010			Knowledge of CA 2010		
	χ^2	df	p	χ^2	df	p
States	48.958	14	0.012	65.342	43	0.002
Market structures	3.254	13	0.001	2.143	13	0.003
Sectors	8.983	11	0.032	3.273	18	0.001
Ownership	2.352	4	0.016	2.317	14	0.013
Size of employees	19.274	15	0.270	18.264	15	0.654
Annual Revenue	26.154	16	0.324	48.343	19	0.432
Position	3.923	15	0.003	18.274	11	0.001

4.6.11 Association of Awareness Level and Knowledge of Illegal Practices

Table 4.36

Association of Awareness Level and Knowledge of Illegal Practices

	Knowledge of illegal practice		
	χ^2	df	p
Awareness of MyCC	1.873	115	0.001
Awareness of CA 2010	87.284	15	0.764

This study intends to investigate whether there is an association between awareness level and knowledge of illegal practices. The results from chi square test of independence (Table 4.36) showed that there is a significant relationship between awareness of MyCC and knowledge of illegal practices ($\chi^2=1.873$, $df=115$, $p=0.001$). On the other hand, awareness towards the law itself does not correlate significantly ($\chi^2= 87.284$, $df=115$, $p=0.764$). This means the businesses' understanding of what is right or wrong is contributed mainly from their

awareness of MyCC but not from CA 2010. Further, businesses most likely rely heavily on their experience in industry, values and integrity in identifying the practices as prohibited.

4.7 Summary of chapter

The findings of the study from the e-survey and FGDs are summarized in this chapter. Each research objective has been answered with the support of the e-survey findings and analysis of the FGDs responses. Hypotheses which were stated in Chapter 3 were tested and presented here. Additional quantitative and qualitative data analyses were also presented. Meaningful summarizations were also done for SMEs.



UMP

CHAPTER 5

CONCLUSIONS

5.1 Introduction

This chapter recapitulates the findings of both the quantitative data analysis and qualitative FGDs responses analysis and hypotheses testing results. This chapter intends to understand to what extent the research objectives set out in the first chapter are fulfilled by this study and to presents the implications of the study categorized into three sub-headings: Content, Outreach and Impact. Under each sub-heading, the appropriate recommendations are discussed. Limitations of this study are also included followed by suggestions for future research.

5.2 Recapitulation of Findings

Despite SMEs being acknowledged as the back bone of the Malaysian economy (The World Bank, 5 July 2016), studies of SMEs in the context of competition law had been scare. In fact, this study was carried out upon commissioned by MyCC after of the last Baseline Study which was conducted three years ago in 2013.

Further, this study went beyond to include the various stakeholder groups based upon the Strategic Plan for Competition Advocacy & Communication 2015 (MyCC). Given that the CA 2010 being a new Act in the area of competition legislature in Malaysia, maintaining a good relationship with various stakeholders is crucial to drive MyCC's agenda well. These stakeholder groups were business community (MNCs, SMEs and Government-linked companies), government agencies, competition practitioners (lawyers and economics), students and consumer/trade associations. 463 respondents participated in this e-survey comprise of 27 GLCs,

44 MNCs, 154 SMEs, 144 Government Agencies, 31 Law & Economy Practitioners, 57 students and 6 consumers/trade associations (Table 4.1). 48 participants were involved in the FGDs held at four locations; KL, Penang, Pahang and Sabah (Table 4.2).

A number of empirical researches (e.g. ACCC, 2005; OFT, 2011a; 2011b) were conducted over times mainly by competition commission of well-developed countries to study their performance and the impact of their work. As such, this study intends to fill these gaps by making the following research objectives the focus of this study.

1. To determine the quality of advocacy and outreach of the Malaysian Competition Commission (MyCC).
2. To determine the level of awareness and knowledge of the various stakeholders of the Competition Act 2010.
3. To determine the level of awareness and knowledge of the various stakeholders of the role of Malaysian Competition Commission (MyCC).
4. To determine the perception of stakeholders on the effectiveness (quality) of enforcement of MyCC.
5. To determine the perception of stakeholders on the general state of market competition in Malaysia.
6. To determine the perception of stakeholders on entities' practices, attitude and culture of Compliance with the Competition Act 2010.
7. To determine the stakeholders' preferable sources of information on Competition Act 2010 and preferable social media sites.
8. To compare the awareness level of various stakeholders with the 2013 Baseline study.

This study applied Theory of Change for Competition Advocacy based upon the basic generic Theory of Change (Maine, 2015) as the basis for developing the research framework. MyCC's advocacy and outreach programs defined as interventions under this theory of change are taken up to positively affect the stakeholders. For example, interventions such as education and training (i.e. what can be done and what should not be done in the marketplace) catered for stakeholders are steps leading towards the ultimate outcome, in this example, to improve stakeholders' position in the market place. Prior reaching the ultimate outcome, having been exposed and being aware of the many facets of advocacy and outreach programs, perception change and behaviour takes place when stakeholders discard bad practices of anti-competitive activities and adopts good practices or the correct way of conducting business transactions.

The research framework investigated in this study provides an in-depth understanding on the dynamics of the quality of MyCC's advocacy and outreach programs. It provides a new insight on the specific relationship with each stakeholder groups.

5.3 Summary of Findings

Table 5.1 shows the summary of findings from both the quantitative and qualitative analysis including the hypotheses testing results for each research objectives of this study.

Table 5.1
 Summary of Quantitative & Qualitative findings & Hypotheses test results

Research Objectives	Findings
<p>RO1 To determine the quality of advocacy and outreach of MyCC.</p>	<p><u>Quantitative Analysis:</u></p> <ul style="list-style-type: none"> • SMEs, the highest stakeholder group in acknowledging on the quality of advocacy and outreach programs of MyCC. • Practitioners (Lawyers & Economists), the least among the stakeholder groups acknowledging on the quality of advocacy and outreach programs of MyCC. <p><u>Qualitative Analysis:</u></p> <ul style="list-style-type: none"> • Received positive responses from FGDs participants i.e. <i>'They have done a good job. I attended quite a number of their seminars, dialogues sessions and all these'.</i> • Additional improvement suggestions received, i.e. <i>'..they have these programs for professional bodies, associations. The ones that is lacking is for the new generations... These generations are IT savvy and we are still talking about seminars, all those things, talks, but for the new generation, they are not interested'.</i> i.e. <i>'Maybe MyCC can come up with the basic do's and don't's but making it industry specific. For example, so, if they are traders, what they cannot do, on pricing, for examples, don't do sorting price with your suppliers. But you know, just the basic one because every business is different..., maybe have a boiler plate, sort of Do's and Don't's'.</i> i.e. <i>'I think road shows can but you don't just touch on the theory, but you give cases.. real cases give participants better understanding and better impact. MyCC's real cases, that would be much better.... Show why should it matters to them [public]. Because usually people only want to take note when it matters to them or has something to do with them'.</i>
<p>RO2 To determine the level of awareness and knowledge of the various stakeholders of the CA 2010.</p>	<p><u>Quantitative Analysis:</u></p> <p><u>Awareness</u></p> <ul style="list-style-type: none"> • Practitioners (lawyers and economists) show the highest awareness level of CA 2010 followed by Consumers/Trade Associations. • GLCs show the lowest awareness level of CA 2010. <p><u>Knowledge</u></p> <ul style="list-style-type: none"> • Only business organizations indicate having a lot of knowledge about CA 2010, specifically GLCs followed by SMEs and MNCs. • Practitioners (lawyers and economists) indicate having a fair amount of knowledge about CA 2010 followed by students group and the rest of stakeholders. • Consumers/Trade Associations, the highest among the stakeholder groups, indicates have heard but knew nothing about CA 2010. • Overall, almost half of the respondents are able to correctly identify illegal practices under CA 2010 especially on bid rigging and price discrimination. • Overall, almost half of the respondents are able to correctly answer the scenario based questions on the knowledge of CA 2010. • Majority of the respondents are able to answer correctly the scenario based questions on the possible collusion but not on the infringement of CA 2010 provision.

	<ul style="list-style-type: none"> GLCs score the highest among the stakeholder groups in answering correctly the scenario based questions followed by Practitioners (lawyers and economists) and the rest of the stakeholder groups. SMEs are the least that could answer the scenario based questions correctly. <p><u>Qualitative Analysis:</u></p> <ul style="list-style-type: none"> Similar to the quantitative analysis results, FGDs participants had indicated that law practitioners having the highest level of awareness regarding CA 2010 across all locations. The least awareness about CA 2010 was among consumers according to these participants.
<p>RO3 To determine the level of awareness of the various stakeholders of the role of MyCC.</p>	<p><u>Quantitative Analysis:</u></p> <p><u>Awareness</u></p> <ul style="list-style-type: none"> Consumers/Trade Associations show the highest awareness level of MyCC followed by Practitioners (lawyers and economists) and SMEs. GLCs show the lowest awareness level of CA 2010 <p><u>Knowledge</u></p> <ul style="list-style-type: none"> None of the stakeholder groups indicate having a lot of knowledge about MyCC. Students group indicates having a fair amount of knowledge about MyCC followed by Government Agencies and the rest of stakeholders. MNCs, the highest among the stakeholder groups, indicate have heard but knew nothing about CA 2010. More than half of the respondents who have heard of MyCC are able to correctly identify MyCC's areas of responsibilities. Among the stakeholders, Practitioners (lawyers and economists) is the highest group able to identify MyCC's areas of responsibilities correctly. Among the stakeholders, SMEs is the highest group unable to identify MyCC's areas of responsibilities correctly. <p><u>Qualitative Analysis:</u></p> <ul style="list-style-type: none"> Similar to the quantitative analysis result, FGDs participants indicated the highest level of awareness of MyCC's role was among the law practitioners Consumer groups again were said to be having the lowest level of awareness on MyCC's role. FGD participants had indicated having a better awareness level of CA 2010 than MyCC and its role.
<p>RO4 To determine the perception of stakeholders on the effectiveness (quality) of enforcement of MyCC.</p>	<p><u>Quantitative Analysis:</u></p> <ul style="list-style-type: none"> SMEs, the highest stakeholder group in acknowledging on the effectiveness (quality) of MyCC's enforcement. Practitioners (lawyers and economists), least among the stakeholder groups acknowledging on the effectiveness (quality) of MyCC's enforcement. <p><u>Qualitative Analysis:</u></p> <ul style="list-style-type: none"> FGDs participants responses reflects the importance given on MyCC's enforcement activities< <i>i.e 'MyCC is currently is going for low-hanging fruits i.e barber shops, flower sellers rather than making an impact on the society. Focus on specific and small market, so, we don't see the real impact'.</i>

	<p>i.e. 'I think enforcement is the way to create awareness. Because, I think enforcement shouldn't start from, let's say, your mom and pop shops rather big businesses because they already know what Competition Act is'.</p> <p>i.e. 'I would like to add that maybe from this Act, can give more fair opportunities to people. For example, now, I know there are some exemptions but there are also certain areas that we have monopolies, for example, doing some tenders, certain group of people always draw the tenders'.</p> <p>i.e. 'The pie is so big that everybody can share. It's just like all the professional bodies, there are so many lawyers around, so many doctors around but the pie is big enough for everybody..maybe have to be studied further to remove the exclusions. I think if not, it's just like until when MyCC won't get to execute its role'.</p>
<p>RO5 To determine the perception of stakeholders on the general state of market competition in Malaysia</p>	<p><u>Quantitative Analysis:</u></p> <ul style="list-style-type: none"> Practitioners (law & economists), followed by Government Agencies and Consumers/Trade Association acknowledge that Malaysia businesses are run by only a few large player with not enough competition. Practitioners (law & economists), followed by Government Agencies and Consumers/Trade Association acknowledge that Malaysia businesses are colluding with one another. <p><u>Qualitative Analysis:</u> No comment received on the general state of market competition from FGDs participants.</p>
<p>RO6 To determine the perception on entities' practices, attitude and culture of Compliance with the CA 2010.</p>	<p><u>Quantitative Analysis:</u></p> <ul style="list-style-type: none"> MNCs followed by SMEs and GLCs in having good and positive practices, attitude and culture of Compliance with the CA 2010. <p><u>Hypotheses Test Result</u></p> <ul style="list-style-type: none"> The result of hypotheses testing showed insignificant relationship between quality of advocacy and awareness of MyCC and entities' practices, attitude and culture of Compliance with CA 2010, thus the hypotheses is not supported <p><u>Qualitative Analysis:</u> No comment received on the general state of market competition from FGDs participants.</p>
<p>RO7 To determine the stakeholders' preferable sources of information on CA 2010 and preferable social media sites</p>	<p><u>Quantitative Analysis:</u></p> <ul style="list-style-type: none"> Internet, the most preferable sources of information on CA 2010 by respondents. Followed by MyCC website/facebook/twitter/YouTube. <p><u>Qualitative Analysis:</u></p> <ul style="list-style-type: none"> FGDs participants responses on preferable sources of information, i.e. 'For me, the easiest to make people to know about MyCC is through advertisement. Can start with radio. For example, everybody know about AKPK because of the iklan.. Advertisement about hakmilik strata because the iklan is interesting'. i.e. '....should go to ASTRO channel because if you look for a good comparison, you can see in Singapore. How they have educated the general public on competition network, it's very good. Because I've seen some of the advertisement....the introduction is very good, very friendly, very simplified, with colorful pictures...'

	<p><i>i.e. 'The wrong channels! I think if in Sabah, here in KK, urban viewers, they will not watch tv1 or tv2; it's for those viewers from rural areas'. Also, during 5pm news, we are still at work. Usually after 10pm, viewers here change to tv3. Also, there is one channel, early morning, just for Sabah'.</i></p> <ul style="list-style-type: none"> • FGDs participants responses on preferable social media sites, <i>i.e 'I think we should introduce MyCC to Gen Y by using media social, I think everyday update actively in facebook any stories, even stories from other countries can be included, also the cases'. i.e '....blasting on twitter, on facebook. So, if people are interested they will go in further, if not, at least they are aware'. i.e 'Youtube is free, right? Like in Thailand, even the government advertises in Youtube and share, millions of people watch it and goes viral'.</i>
<p>RO8 To compare the awareness level of various stakeholders with the 2013 Baseline Study</p>	<p><u>Quantitative Analysis:</u></p> <ul style="list-style-type: none"> • With the current study, the overall level of knowledge on the existence of MyCC and CA 2010 is very high (67.5% of respondents aware of MyCC & 56.6% aware of CA 2010) vs. Baseline Study 2013 reported a very low level of awareness (8.9% of respondents aware of MyCC & 6.6% aware of CA 2010 with respondents from Melaka and Perlis having zero level of awareness. • With the current study, all responding businesses in every state are aware of the existence of MyCC with Negeri Sembilan and Perlis shows 100% awareness level and the least in Terengganu vs. all states across Malaysia except Perak indicated low knowledge level of CA 2010 (below 10%) reported by Baseline Study 2013. • With current study, the 100% of responding for micro, small and medium sizes businesses in the agriculture and mining sector are highly aware of MyCC's existence as compared to manufacturing and services vs. Baseline Study 2013 reported 85.3% and 86.7% of responding for medium and large size businesses in the service sector were aware of MYCC's existence with 96.9% and 93.2% of micro and small size businesses were not aware of MyCC • With the current study as well as with Baseline Study, the level of awareness does not differ significantly between domestic-driven and export-oriented businesses. • With the current study, most respondents are of the opinion that their companies "probably" are involved in both anti-competitive agreements (state: 70.1%, sector: 64.9%) and in abuse of dominant position (state: 77.2%, sector: 72.1%) vs. Baseline Study 2013 reported that businesses indicating involvement in anti-competitive activities (state: 31.7%, sector: 28.2%) and in abuse of dominant power. (state: 35%, sector: 30.4%). • With the current study as well as Baseline Study 2013 majority of respondents never came across anti-competitive agreement or do not have any experience engaging in anti-competitive agreement or abuse of dominant power. Baseline reported 80.4% of respondents in regards to price fixing and bid rigging and 79.6% in regards to abuse of dominant power. • With the current study, 64.3% of businesses do not know what the consequences of non-compliances vs 32.1% reported by Baseline Study 2013. • With the current study as well as Baseline Study 2013, the most preferred source of information about the Competition Act is the

	<p>internet.</p> <ul style="list-style-type: none"> • With the current study, states, market structures, sectors, ownership, and position were found to be significantly associated with awareness and knowledge of MyCC. Baseline Study 2013 reported that states, market structures, sectors, ownership were found to be significantly associated with awareness and knowledge of MyCC. • With the current study as well as Baseline Study 2013, the awareness level of CA 2010 is associated significantly with states, market structures, sectors, ownership, and position. • With the current study as well as Baseline Study 2013, there is a significant relationship between awareness of MyCC and knowledge of illegal practices.
HYPOTHESES	
H₁: The higher the quality of advocacy and outreach of MyCC, the higher the level of awareness (knowledge) of CA 2010 among the stakeholders.	No relationship between quality of advocacy and outreach of MyCC and the level of awareness (knowledge) about the CA 2010 amongst the stakeholders.
H₂: The higher the quality advocacy and outreach of MyCC, the higher the level of awareness (knowledge) of the role of MyCC.	No relationship between quality of advocacy and outreach of MyCC and the level of awareness (knowledge) about MyCC amongst the stakeholders.
H₃: The higher the quality advocacy and outreach of MyCC, the higher the level of perception of the enforcement effectiveness of MyCC.	This hypothesis is supported; the higher the quality of advocacy and outreach of MyCC, the higher is the level of perception of the enforcement effectiveness of MyCC for all stakeholders except for consumers/trade associations.
H₄: The higher the quality advocacy and outreach of MyCC, the higher the level of perception of the general state of market competition in Malaysia.	Overall this hypothesis is rejected. It was found to be significant for MNCs, SMEs and students and not found to be significant for GLCs, Government Agencies, Practitioners (Lawyers & Economist) and Consumers/ Trade Associations.
H₅: The higher the quality advocacy and outreach of MyCC, the higher the level of perception of the Company practices, attitudes and culture of compliance with CA2010.	No relationship between quality of advocacy and outreach of MyCC and the level of perception of the Company practices, attitudes and culture of compliance with CA2010.

5.4 Implications of the Study

Based on the findings of both quantitative and qualitative analysis and hypotheses testing results, this session presents the study implications under the sub-headings of content, outreach and impact.

This study found hypotheses H₄ to have significant relationship between the quality advocacy and outreach of MyCC and the level of perception of the enforcement effectiveness of MyCC, hence, MyCC should focus on enforcement activities. The study implication on this is discussed further in the sub-heading impact.

Although hypotheses testing found no relationship between quality of advocacy and outreach of MyCC and the level of awareness about the CA 2010 amongst the stakeholders (H₁), and between quality of advocacy and outreach of MyCC and the level of knowledge about MyCC amongst the stakeholders (H₂), this suggest that the quality of advocacy and outreach of MyCC should be enhanced to include more materials that could enhance the awareness of the stakeholders.

Similarly, since the hypotheses testing found no relationship between quality advocacy and outreach of MyCC and the level of perception of the Company practices, attitudes and culture of compliance with CA2010 (H₅), perhaps business entities requires a lot of resources and not all the stakeholders can afford it. Hence, the quality of advocacy and outreach of MyCC should be enhanced to include more materials that could help business entities in their the company practices, attitudes and culture of compliance with CA,

Overall, for hypothesis (H₄), the quality advocacy and outreach of MyCC and the level of perception of the general state of market competition in Malaysia, was rejected, hence, more effort to be put on enhancing MyCC's quality of advocacy and outreach programs in communicating to stakeholders the prohibited practices under CA 2010 that could help evade collusion among market players and help increase market competition.

The sub-heading content and outreach emphasizes on efforts that need to be enhanced by MyCC's quality advocacy and outreach program for the rejected hypotheses results (H₁, H₂, H₄ and H₅).

5.4.1 Content

5.4.1.1 Emphasis on Quality Training and Education

To upgrade the quality of MyCC's advocacy and outreach programs in order to better the performance of awareness creation of CA 2010 and MyCC among the stakeholders, this study would like to recommend that MyCC study the content of deliverables of its training and education sessions with stakeholders. For example, the following pointers based on previous empirical studies (OFT, 2011a) are suggested:

- The sort of activities that may constitute a cartel infringement
- The sort of activities that may constitute an anti-competitive agreement other than a cartel
- The sort of activities that may constitute an abuse of dominant position
- Price Fixing
- Monopolies
- Unfair trading/practices/competition
- Pricing
- Market Sharing
- Intellectual Property protections
- Cutting prices below cost
- Predatory pricing
- Agreeing not to compete against each other

- Cartel
- False Advertising
- Fixing retail prices
- Exclusionary conduct
- Excessive prices
- Discriminatory price

5.4.1.2 Update MyCC's website with pending cases & statistics

As of to-date, MyCC have uploaded cases that have been given decisions/verdict. Based on FGD's participants, below are some of the suggestions for MyCC to upload in the website on a continuous basis:

- Pending cases in hand to be investigated or under investigation and the estimated duration for the cases to reach decisions.
- Case Summary/statistics of all the cases that had been given decisions.
- Current Impact studies.
- Similar cases worldwide pertaining to competition legislations.
- Summary of what and can and cannot be done/ lessons to be learned.

5.4.1.3 Re-look on MyCC's advertisement

Based on the FGDs, participants requested that MyCC to re-look at the advertisements channelled through TV media to make them simple, short, colourful and direct. Advertisement can be in the form of cartoons. FGDs participants had called out on MyCC's cartoon advertisement as pushing too many things at one go, instead should be focusing on the basic concepts. For example, The Office of Competition and Consumer Protection of Poland (UOKiK)

had used advertisements based on cartoons by a famous cartoonist to launch the most extensive ever campaign popularising knowledge on competition protection among entrepreneurs. The media campaign was supported with direct mailing targeted at 500 largest enterprises in Poland and 335 companies operating on local markets.

5.4.2 Outreach

5.4.2.1 Utilization of various advocacy and outreach methods

MyCC had diligently utilized various multiple methods in advocating and reaching out to the stakeholders. For example; seminars, briefings, speeches, engagements, meetings, multiple workshops, forums, roundtable sessions, training sessions, conferences, and conventions under its advocacy programmes/events. As of to-date, MyCC had conducted 201 advocacy programmes since 2011. In addition, one important seminar targeting SMEs was conducted by MyCC recently in November 2016 in its effort promoting CA2010 and its benefits among SMEs.

This study recommends that MyCC incorporate some of the methods, format and approaches utilized by ASEAN, OECD, UNCTAD, CCB and ICN member countries in their advocacy programmes. Some examples, ASEAN member countries utilize the high-profile endorsements, internal and inter-ministerial communication in their advocacy work; OECD member countries specifically Sweden deployed the Web-based interactive tool on the Swedish Competition Authority (SCA) for trade associations to assess their own practices based on traffic light system of assessment with green as compliant (i.e education & training, information gathering, general lobbying), amber as potentially non-compliant (i.e current/historic/individual/aggregated information sharing) and red as non-compliant (i.e price coordination, price recommendations, market sharing); UNCTAD member countries engages in

evaluating the compliance of projects/regulations with competition rules and providing legal expertise to bodies of legislative and executive power in the process of drafting legal acts. Another example is the CCB, emphasizes on balancing regulation and competition in their advocacy work. CCB was granted under Section 125 and 126 of their Competition Act to appear at the federal and provincial boards that overseas regulated industries to advocate that regulators and policy makers to regulate only when necessary and to rely on market forces as much as possible in order to obtain competition benefits in the marketplace. INC invites stakeholders to sit on steering, advisory and working groups, also recruits team members from stakeholder organizations to joint-work on key issues on competitions.

5.4.2.2 Utilization of social media sites

The competition commissions worldwide, particularly, to name a few, The Competition Commission South Africa, Competition Commission Singapore and Competition Commission Philippines had created official **Facebook** to reach out to public (Appendix 1). Besides, The Competition Commission South Africa uses **Instagram** (Appendix 2) and UK Competition Commission and European Commission uses **Twitter** (Appendix 3) and. Competition Commission Singapore and The Competition Commission South Africa also utilizes **YouTube** in their course of work (Appendix 4). The UK Office of Fair Trading (OFT)'s extensively uses social media: Twitter to alert stakeholders on new development and to seek feedback on competition issues (Refer Case Study Chapter 2). Therefore, this study also would like MyCC to consider utilizing the above-mentioned social media in order to gain a good coverage of stakeholders being contacted and reached out.

5.4.2.3 Utilization of appropriate radio /TV channels

With the appropriate radio/TV channels, MyCC's advocacy messages can be presented to a lot more stakeholders residing in urban and rural areas national wide. For example, this method had been employed by the Office of Competition and Consumer Protection of Poland (UOKiK) in promoting their Competition Advocacy Messages. In its campaign to advocate its competition protection among entrepreneurs, the involvement of radio broadcasters were sought after, the advertising was also broadcasted free of charge by almost 20 largest nationwide and regional radio stations and the campaign was a big success.

During the FGD in Sabah, similar suggestions were advocated by the participants to utilize the regional radio and TV channels in educating and advocating their local stakeholders. Thus, this study strongly recommends that MyCC learn up the regional radio/TV channels appropriate to a local setting in order to reach out to stakeholders.

5.4.2.4 Interactive Stage Play on Competition Issues

One of the ways to creatively sent advocacy messages is through interactive stage play which can be presented in any seminars, forum, conventions etc. Such interactive stage play was included as part of seminars by the Bulgarian Commission in their Protection of Competition Advocacy Messages when advocating their leniency programs.

The Bulgarian CPC organizes seminars and conferences for the business in order to raise their awareness of competition. As part of the series of events marking their 20th anniversary in 2011, CPC held a seminar in order to enhance the knowledge of the business community about the new regime of block exemptions for certain categories of agreements prohibited under EU and national law, as well as on the recent developments of the CPC's leniency policy. The

leniency program was presented to the seminar audience through an interactive stage play which was then uploaded on their website.

5.4.2.5 Competition Law Movie Making

The UK Office of Fair Trading (OFT) had produced a short film entitled Competition Law in its website and at YouTube together with relevant materials for stakeholders to view. This film innovatively explains the importance of competition law, the different ways in which competition law can be breached and highlights practical steps that businesses can take to ensure compliance. The film includes dramatization of a dawn raids, alongside interviews with Richard Whish, Professor of Law at King's College London, and OFT officials. This is one step further that MyCC could undertake within a set budget and within the local setting to produce and publish films showcasing interesting competition issues such as bid rigging, price fixing, market sharing, dominant market abuse etc. The impact in advocacy work would be greater if such films are produced and played during training, seminar etc.

5.4.2.6 Usage of Multiple languages

Based on the FGDs participants' responses, being a diversified nation, it is recommended that MyCC optimize the local languages for the benefit of all stakeholders. In fact, this request has been put forward during the FGDs in most locations by participants. It is simply not sufficient to advocate and reach out stakeholders via Bahasa Malaysia or English nowadays according to the FGDs participants. This study recommends that all four main languages: Bahasa Malaysia, English, Mandarin and Tamil to be used in reaching out to stakeholders.

5.4.2.7 Re-branding MyCC

Few times during the FGDs, participants had suggested that the name “MyCC’ need to be changed to give a refreshed image of this Commission. In fact, one of the FGD participants had even suggested to use Bahasa Malaysia to re-name and re-brand this Commission to give a sense of real authority and power in undertaking its mission, instead of being addressed as ‘MyCC’ to be named “Suruhanjaya...”.

5.4.2.8 Confusion arising from various Acts and Laws

Many Acts and Laws which exist within the nation’s legal system had brought upon confusion witnessed during the FGDs, to name a few, CA 2010, the Consumer Protection Act 1999 (CPA) and the Price Control Anti Profiteering Act 2011 (PCAP).

CA 2010 fundamentally protects the process of competition by prohibiting the anti-competitive behaviour among businesses in its quests to provide consumer with better priced quality product and services of many choices. The CPA is to provide greater protection for consumers in terms of consumer rights to all products and services of basic necessity which includes food, clothing, education and others through the right channels and at the right prices. Consumers are also protected from products, services and manufacturing processes that are unsafe. The PCAP was passed to protect consumers against unreasonable price increase of goods and services with the introduction and implementation of Goods and Services Tax (GST).

Based on the many FGDs that took place under this study, participants were confused between these laws in knowing the objective and scope of each Act, further their rights as consumer as well as to whom to complaint when faced with issues pertaining to quality and price increase of goods and services.

This study recommends MyCC to set up website based information helpdesk to help consumers in tackling issues due to confusion from various Acts and Laws. Such action was undertaken by The Netherlands Competition Authority (NMa) by setting up ‘Consuwijzer’, which is the information helpdesk for consumers, offering practical tips and advice about their rights. The helpdesk is an initiative of three supervisory bodies, namely the Consumer Authority, The Netherlands Competition Authority (NMa) and the Independent Posts and Telecommunications Authority (OPTA). Sometimes consumers are reluctant to confront the retailer, hence, ‘Consuwijzer’ also provided tools such as model letters for consumers to use when dealing with retailers or other business entities. In the first six months of 2011, the use of model letters rose by 14% compared to the same period in 2010. In total they were used more than 250,000 times in 2011.

5.4.3 Impact

5.4.3.1 Re-look at Enforcement and its procedures

Significant positive relationship existed between MyCC’s quality advocacy and outreach program and its enforcement activities; hence, MyCC’s should be focusing on its enforcement activities through its advocacy and outreach programs. Based on responses received during FGDs, this study recommends MyCC to prepare and upload industry specific basic Do’s and Don’ts for stakeholders’ reference on conducting their businesses. For example, catering for traders of specific industry, what they can do and what they can’t do, on pricing matters (i.e sorting price with your suppliers). Further, proper explanations should also be given for the Do’s and Don’ts in order for stakeholders to comply with the basic rules and regulation when

transacting businesses in the marketplace in order to prohibit from engaging in anti-competitive behaviour at the marketplace such as market collusion, bid rigging, market sharing and others.

5.5 Limitations of Study

This study is not without limitations. One of the main limitations of this study is time constraints. One year time period given for this study incorporating data collections and setting up FGDs has its challenges but this limitation had been controlled by using multiple ways of data collections and by arranging FGDs one by one across locations without delay.

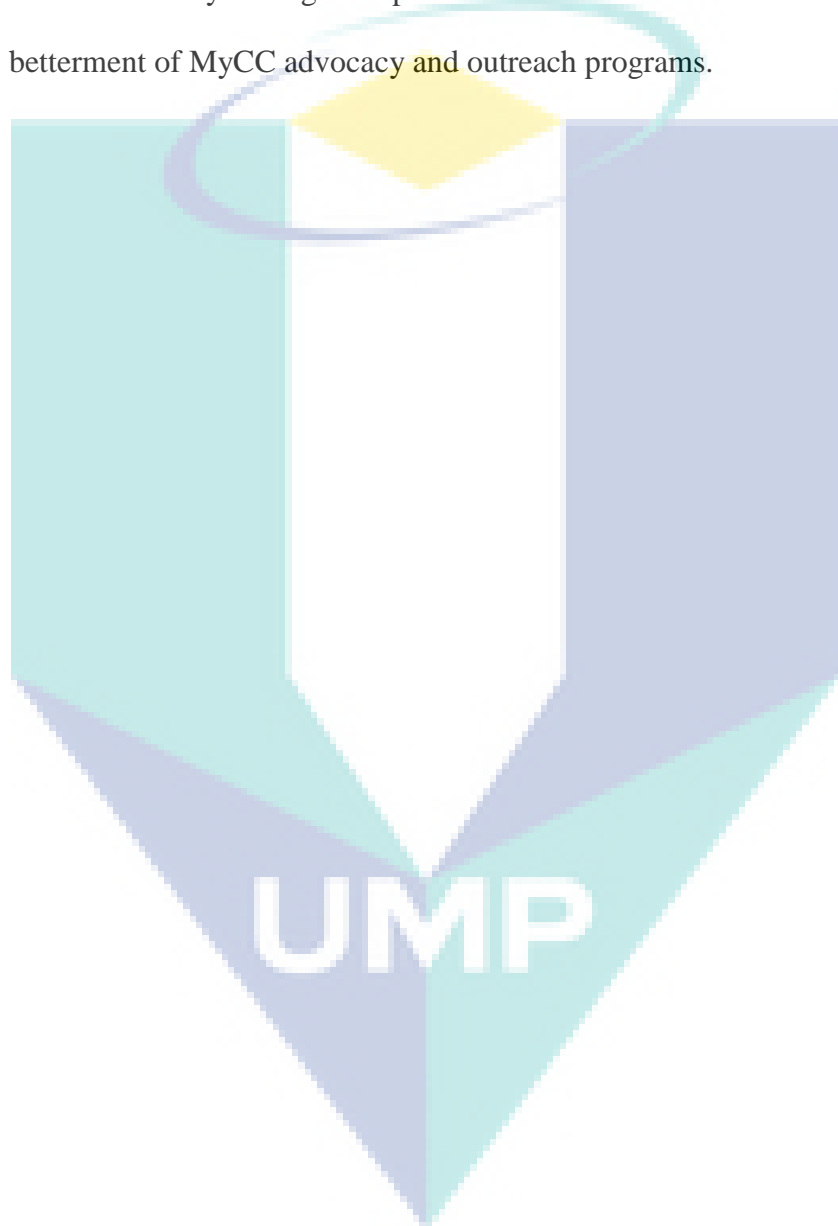
Another major limitation of this study is small sample size which is a common phenomenon when dealing with business entities inclusive of SMEs in the industry setting. Nevertheless the best possible methods had been deployed in collecting data (i.e e-survey, directly approaching organizations and universities lead, through email blasting to stakeholders, through FGDs participants, MyCC). Furthermore, participation in this study is voluntary and certainly not possible to force SMEs to participate as it would violate the ethical principal in conducting a research.

5.6 Suggestions for Future Research

The current study provides valuable insights of the dynamism of various stakeholders in relation to competition legislature and issues in the context of Malaysia. Future research may embark on continuous data collection in order to explore further in understanding and studying the relationships and its influence.

5.7 Summary of chapter

This study had examined and revealed improvements in the quality of MyCC advocacy and outreach programs in relation to awareness and perceptions to CA 2010 and when compared to Baseline Study 2013. The study managed to put forward recommendations to be undertaken by MyCC towards betterment of MyCC advocacy and outreach programs.



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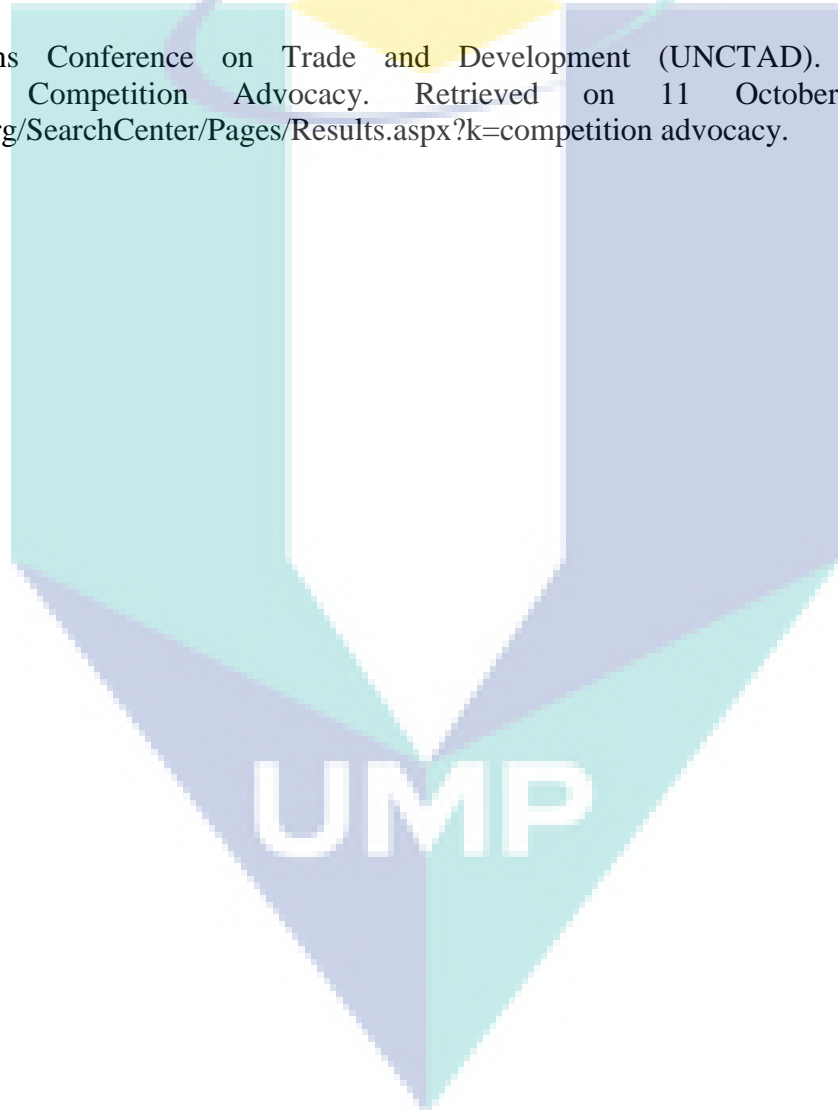
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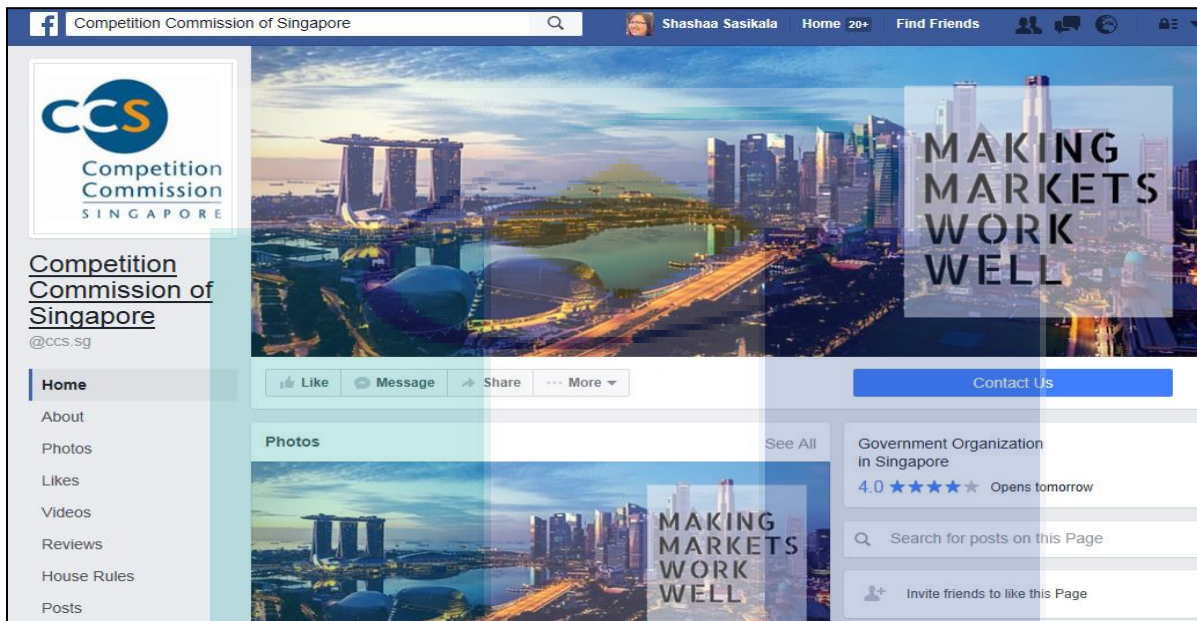
Examples of Competition Commission using Facebook



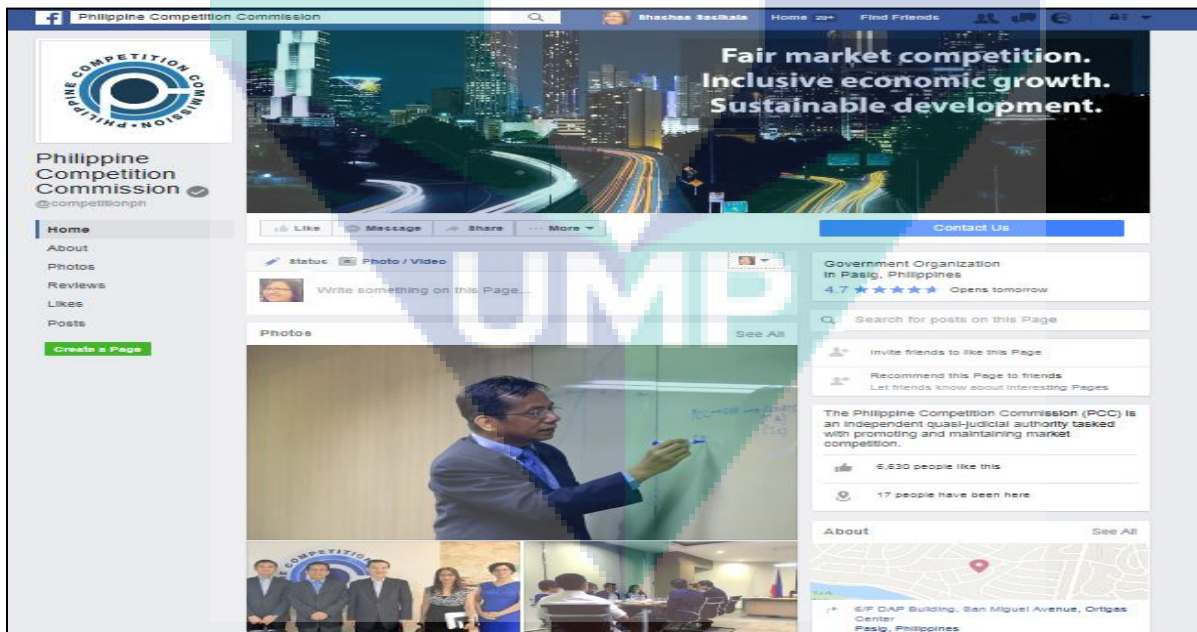
Example A – The Competition Commission South Africa (SA)



Example B – Competition Commission of Singapore



Example C – Philippine Competition Commission



Example of Competition Commission using Instagram - The Competition Commission South Africa (SA)

Competition Commission SA (@compcomsa) • Instagram ... ✔

https://www.instagram.com/compcomsa

We regulate firms to make sure they compete to benefit consumers



competition commission south africa

compcomsa Follow

203 posts 186 followers 44 following

Competition Commission SA We regulate firms to make sure they compete to benefit consumers www.compcom.co.za

Rainbow merger awaits final

COMPROMISE

Capital will merge under the terms of the transaction, the commission considered the activities of the merging parties and found that to develop as the acquiring group is active in the financial services sector offering services such as debt-facto financing and asset management whereas the target firm is active in the housing of Fintech funds and also has interests in alternative energy business, technology recycling and energy efficiency projects.

The commission said that the proposed transaction was unlikely to substantially prevent or lessen competition in any of the relevant markets.

Strengthening of relationships among regulators

COMPETITIVE EDGE

The Competition Commission (CC) has signed a Memorandum of Understanding (MoU) with the South African Revenue Service (SARS) and the South African Police Service (SAPS) to strengthen their relationships and improve the efficiency of their operations.

Competition bodies crank

INTERNATIONAL COMPANIES WITH FOOTPRINTS IN AFRICA THEREFORE NEED TO BE AWARE THAT INFORMATION WILL BE SHARED

The Competition Commission (CC) has issued a warning to international companies with a footprint in Africa that their information may be shared with other competition bodies.



competition commission south africa

Address:
The old campus, Block C, Mulalo, No. 77, Medunsa Street, Sandton City, Pretoria, 0002

Telephone Number:
+27 (0)11 304 3300/3326

Fax Number:
+27 (0)11 304 0166

Email Address:
ccsa@compcom.co.za

Website address
www.compcom.co.za

09 WHAT IS A MARKET INQUIRY?

The Commission is empowered by the Act to conduct market inquiries, which are designed to monitor and report on the general state of competition in a market for goods or services, without necessarily referring to a specific conduct or activities of any particular business.

During a market inquiry we investigate, identify, analyse and where appropriate, make recommendations to address any competition problems.

Upon completing a market inquiry the competition commission may publish a report of the inquiry in the Gazette, and must submit the report to the Minister with or without recommendations.

Disclaimer: This pocket guide is for information purposes only and may not be used in any legal proceedings.

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Examples of Competition Commissions using Twitter

CompetitionComm (@CompetitionComm) | Twitter
<https://twitter.com/CompetitionComm>
 1.4K FOLLOWERS 275 TWEETS
 The latest Tweets from CompetitionComm (@CompetitionComm). This is the official Twitter channel of the UK Competition Commission. Read our Twitter policy ...

European Commission (@EU_Commission) | Twitter
https://twitter.com/EU_Commission
 VERIFIED 655K FOLLOWERS 23K TWEETS
 23.1K tweets • 4,227 photos/videos • 655K followers. Check out the latest Tweets from European Commission (@EU_Commission)

Example A – UK Competition Commission

CompetitionComm
 @CompetitionComm
 This is the official Twitter channel of the UK Competition Commission. Read our Twitter policy bit.ly/As9syy
 London, UK
 competition-commission.org.uk
 Joined June 2011

TWEETS 275 FOLLOWING 178 FOLLOWERS 1,442 LIKES 2 LISTS 10

Tweets Tweets & replies Media

CompetitionComm @CompetitionComm · 31 Mar 2014
 OK - cheers for following the CC's Twitter feed and do follow us to @CMAgovUK So long and thanks for all the fish...

CompetitionComm @CompetitionComm · 31 Mar 2014
 Last day for the CC today and indeed this Twitter feed so another reminder to follow @CMAgovUK for latest news & announcements.

New to Twitter?
 Sign up now to get your own personalized timeline!
 Sign up

You may also like · Refresh

- ccp Competition Policy @ccp_uea
- CPI @CompPolicyInt

Example B - European Commission

European Commission
 @EU_Commission
 News and information from the European Commission. Tweets by the Social Media Team. Engaging on #TeamJunckerEU priorities: ec.europa.eu/priorities/
 Brussels, Belgium
 ec.europa.eu

TWEETS 23.2K FOLLOWING 1,098 FOLLOWERS 657K LIKES 4,398 LISTS 14 MOMENTS 1

Tweets Tweets & replies Media

View 1 new Tweet

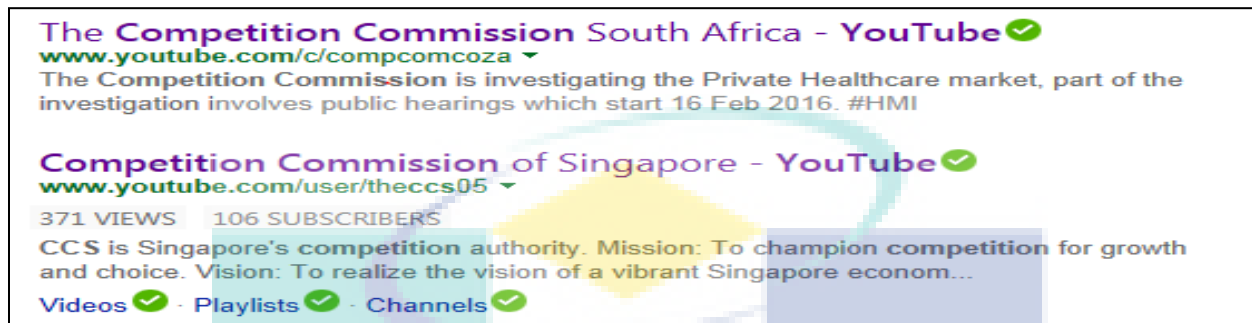
European Commission @EU_Commission · 25m
 Start-up & Scale-up Initiative presented by @jyrkikatainen & @EBienkowskaEU LIVE from 16:30 (CET) soon europa.eu/!CJ73CR #StartUps

New to Twitter?
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 Sign up

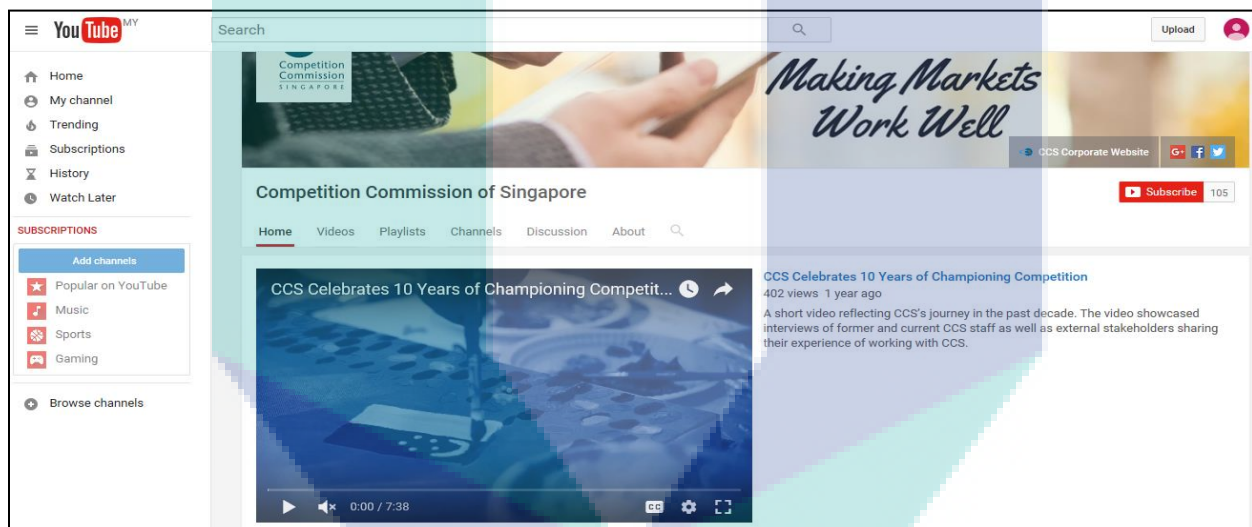
You may also like · Refresh

- EU Council Press

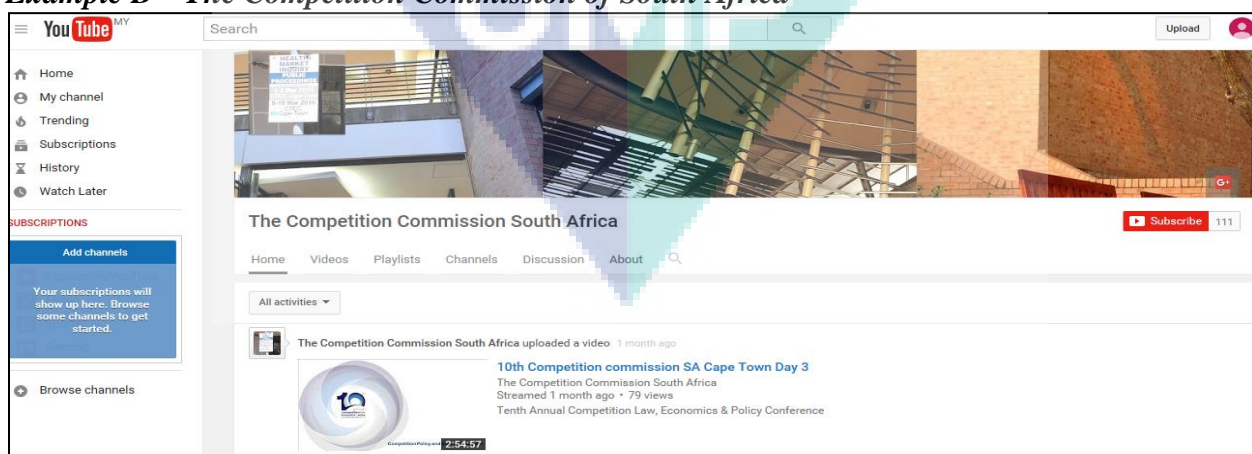
Examples of Competition Commissions using YouTube



Example A – Competition Commission of Singapore



Example B – The Competition Commission of South Africa



Study on the Awareness and Perception of the Competition Act 2010 (CA2010) and Role of the Malaysia Competition Commission (MyCC) in Malaysia

We are inviting you to participate in this survey because your views are valuable to us!

This is a study on the awareness and perception of stakeholders of the Competition Act 2010 and the Role of Malaysia Competition Commission (MyCC) in Malaysia. The objective of this study is to assist the MyCC to examine the types of advocacy and outreach programmes needed and the best mode of communication to reach out to the stakeholders in the future.

By participating in this survey, your voice will be heard and you will help shape the future of the competition market in Malaysia. Based on past experience, this survey will take less than 30 minutes. Please be assured that your response will be kept completely confidential.

If you have any questions, please contact Dr. Yuvaraj Ganesan at: y_raj79@yahoo.com or Ms. Shashaa Sankaran at shaperwira@yahoo.com.

Please take note that you are requested to answer this questionnaire only ONCE. Kindly ignore if you have received the questionnaire twice.

Thank you for your cooperation and participating in this important survey.

Prof. Dato' Hasnah Haji Haron
Principal Researcher
(Universiti Malaysia Pahang)

Co-researchers:
Dr. Dato' Ishak Ismail (Universiti Malaysia Pahang)
Dr. Yuvaraj Ganesan (Universiti Sains Malaysia)

Assisted by:
Ms. Sasikala Sankaran Pillai (Universiti Sains Malaysia)

PART 1: BACKGROUND

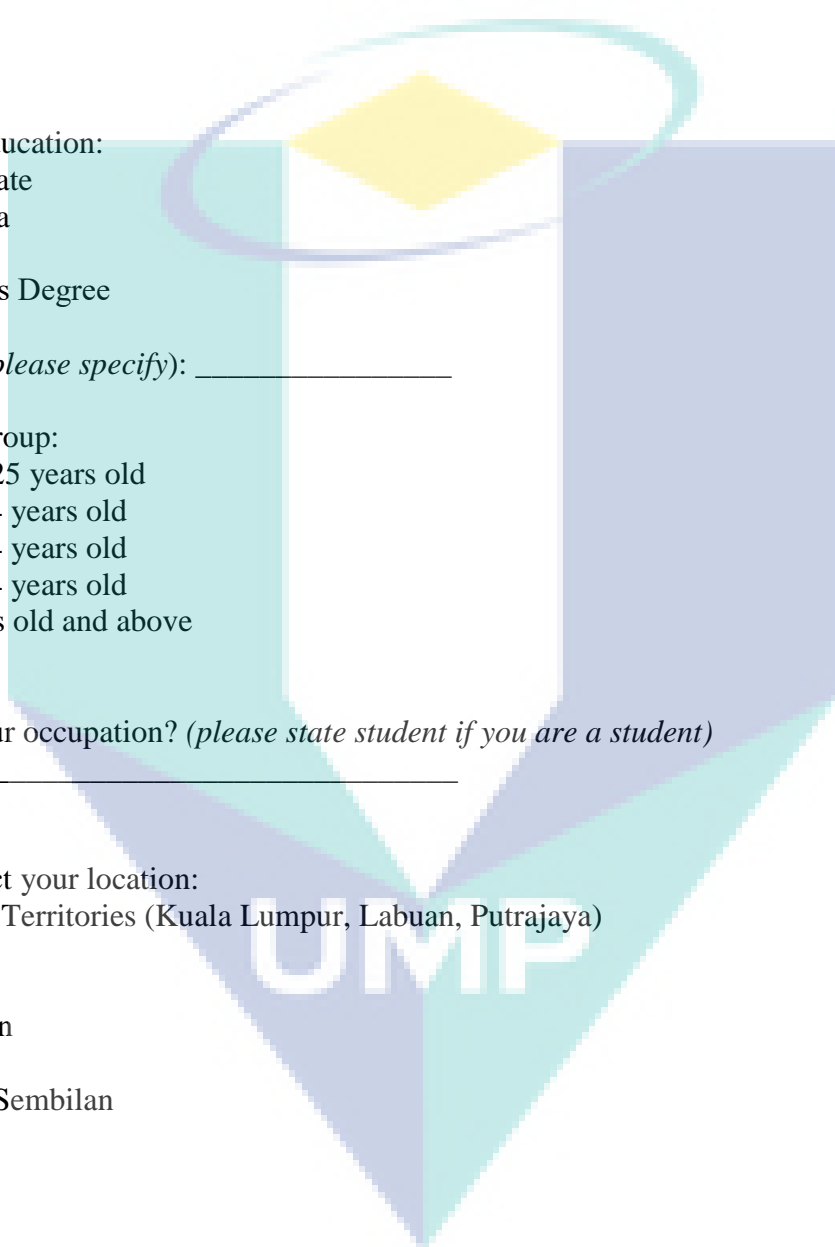
SECTION A: DEMOGRAPHICS

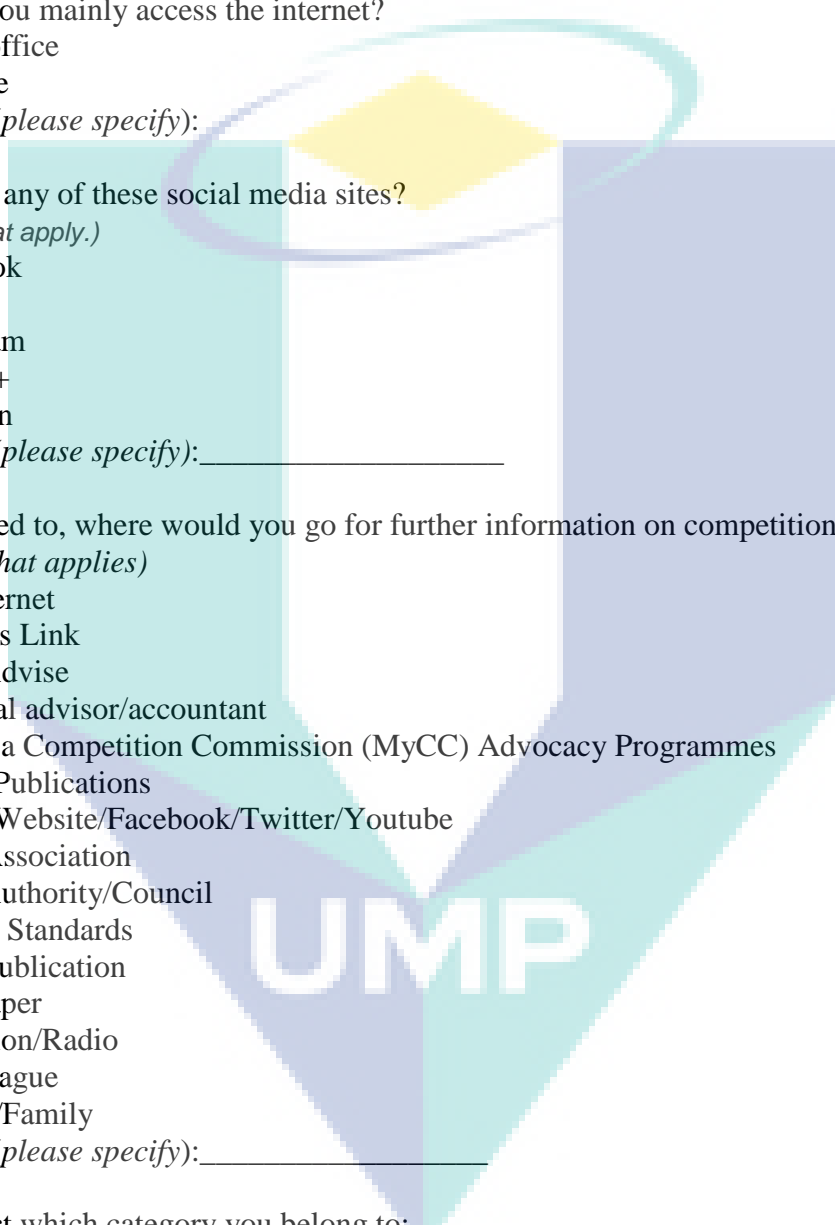
1. Gender:
 - Male
 - Female

 2. Level of Education:
 - Certificate
 - Diploma
 - Degree
 - Master's Degree
 - PhD
 - Other (*please specify*): _____

 3. Your age group:
 - Below 25 years old
 - 25 to 34 years old
 - 35 to 44 years old
 - 45 to 54 years old
 - 55 years old and above

 4. What is your occupation? (*please state student if you are a student*)

 5. Please select your location:
 - Federal Territories (Kuala Lumpur, Labuan, Putrajaya)
 - Johor
 - Kedah
 - Kelantan
 - Melaka
 - Negeri Sembilan
 - Pahang
 - Perak
 - Perlis
 - Penang
 - Sabah
 - Sarawak
 - Selangor
 - Terengganu
- 

- 
- The image contains a large, semi-transparent watermark of the UMPA logo. The logo features a stylized 'U' shape composed of teal and blue geometric forms, with a yellow diamond at the top center. The letters 'UMPA' are written in white across the bottom of the 'U' shape.
6. How often do you access the Internet?
- Everyday
 - 2 -3 times a week
 - Once a week
 - Less often
7. Where do you mainly access the internet?
- At the office
 - At home
 - Others (*please specify*):
8. Do you use any of these social media sites?
(*Check all that apply.*)
- Facebook
 - Twitter
 - Instagram
 - Google+
 - LinkedIn
 - Others (*please specify*):_____
9. If you needed to, where would you go for further information on competition legislation?
(*Select all that applies*)
- The Internet
 - Business Link
 - Legal Advise
 - Financial advisor/accountant
 - Malaysia Competition Commission (MyCC) Advocacy Programmes
 - MyCC Publications
 - MyCC Website/Facebook/Twitter/Youtube
 - Trade Association
 - Local Authority/Council
 - Trading Standards
 - Trade Publication
 - Newspaper
 - Television/Radio
 - A Colleague
 - Friends/Family
 - Others (*please specify*):_____
10. Please select which category you belong to:
- Government Link Companies (GLCs) (*please go to Section B*)
 - Multinational Corporations (MNCs) (*please go to Section B*)
 - Small and Medium Enterprise (SMEs) (*please go to Section B*)
 - Government Agencies (*please go to Section C*)
 - Law and Economic Practitioners (*please go to Section D*)
 - Consumers (Students) (*please go to Section E*)

- Consumer / Trade Associations (*please go to Section F*)
- Other: (*please specify*): _____ (*please go to Part II*)

Instruction:

- **If you belong to category - Government Link Company, Multinational Corporation or Small Medium Enterprises, please proceed to Section B.**
- **If you belong to category - government agency, please proceed to Section C.**
- **If you belong to category - law and economic practitioner, please proceed to Section D.**
- **If you belong to category- consumers (students), please proceed to Section E.**
- **If you belong to category- trade associations, please proceed to Section F.**

SECTION B: BUSINESS/ORGANISATION

11. Please select the main business activity of your organisation/association.

- Food production, import and distribution
- Transportation (e.g. taxis, buses, LRT, railways, air travel and shipping)
- Healthcare institutions, including the pharmaceutical industry
- Professional services
- Housing developers
- Financial institutions
- Others (*please specify*):

12. Please select your industry/sector.

- Manufacturing
- Services
- Agriculture
- Mining
- Construction
- Others (*please specify*):

13. Which market do you cater for?

- Domestic
- Export
- Both

14. Is your organisation/company?

- Domestic-owned (*please go to Q15*)
- Government owned (*please go to Q16*)
- Government link company (*please go to Q16*)
- Foreign-owned (*please go to Q16*)

15. Please select your domestic-owned type.

- Sole proprietorship

- Partnership
- Private Limited
- Public listed company
- Others (*please specify*): _____

16. Are you the business owner?

- Yes
- No

17. Are you one of the decision makers in your organisation/company?

- Yes
- No

18. What is your position in the organisation/company?

- Top management.
- Middle management
- Lower management

19. How many employees are there in the organisation/company?

20. What is the annual revenue of the organisation/company?

(Please approximate if unsure)

- Less than RM200,000
- RM200,000 to RM1 million
- RM1 million to RM5 million
- RM5 million to RM25 million
- More than RM25 million

21. How long has your organisation/company been in your business?

- Less than 1 year
- 1 to 5 years
- 6 to 10 years
- 11 to 15 years
- More than 15 years

22. Is your organisation/company a member of any Trade Associations?

- If yes, *please specify* _____
- No

Instruction: After completing this section, please proceed to answer Part II: Main survey (Q31 onwards).

SECTION C: GOVERNMENT

23. Please select the government agency you represent.

- Ministry (Federal)
- Statutory Board
- State Agencies (State Departments, Local Councils & Municipalities)
- Other public services/organizations (e.g. Universities, Hospitals, Polyclinics, Police Posts/Stations, Postal Service, Armed Forces, Schools etc)
- Others (*please specify*): _____

24. Your job position:

- Chairman
- Director/Deputy Director/Assistant Director
- Senior Manager/Manager/Assistant Manager
- Senior Executive/Executive
- Others (*please specify*): _____

Instruction: After completing this section, please proceed to answer Part II: Main survey (Q31 onwards).

SECTION D: LAW AND ECONOMIC PRACTITIONERS

25. How many employees are there in the organisation/firm? _____

26. How long has your organisation/firm been in your business?

- Less than 1 year
- 1 to 5 years
- 6 to 10 years
- 11 to 15 years
- More than 15 years

Instruction: After completing this section, please proceed to answer Part II: Main survey (Q31 onwards).

SECTION E: CONSUMERS (STUDENTS)

27. Name the education institution you are currently studying in. _____

28. Which of the following courses are you taking in your current education institution?

- Law
- Economics
- Others (*please specify*): _____

Instruction: After completing this section, please proceed to answer Part II: Main survey (Q31 onwards).

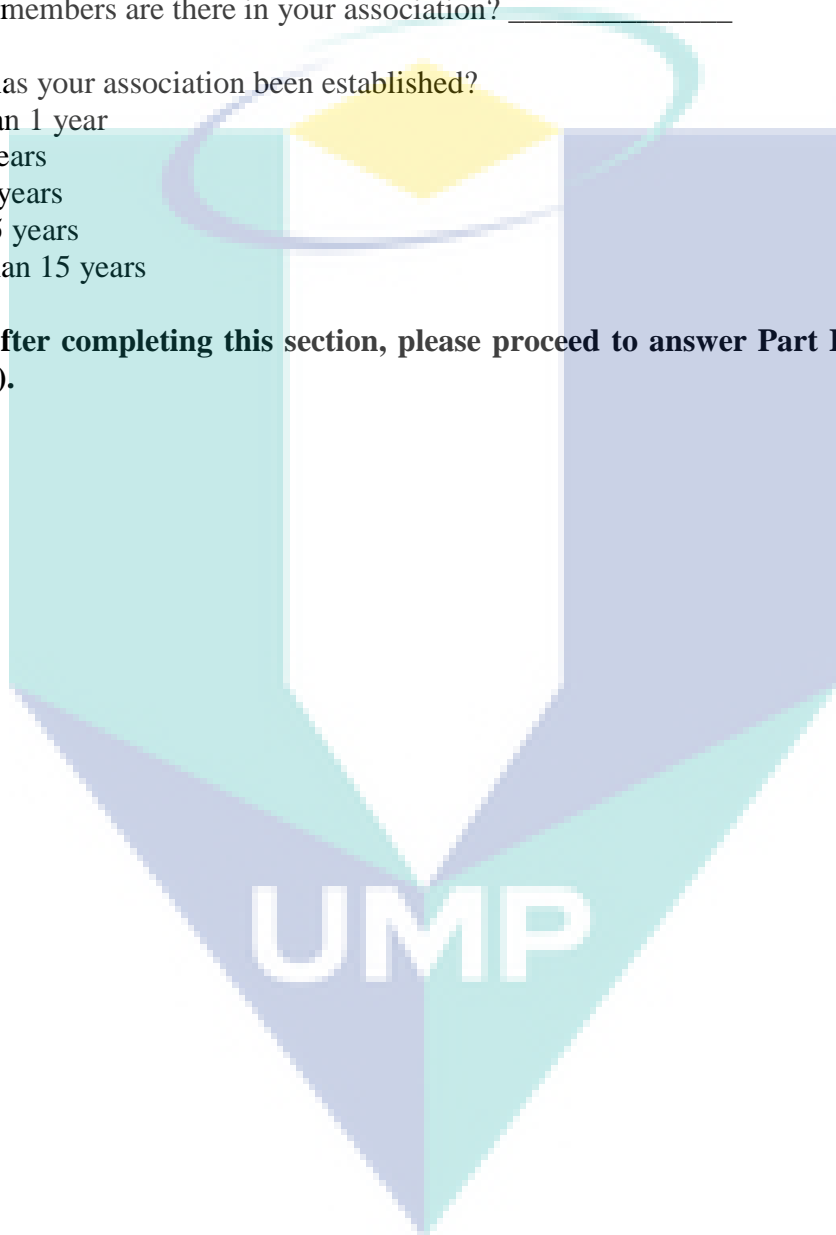
SECTION F: TRADE ASSOCIATIONS

29. How many members are there in your association? _____

30. How long has your association been established?

- Less than 1 year
- 1 to 5 years
- 6 to 10 years
- 11 to 15 years
- More than 15 years

Instruction: After completing this section, please proceed to answer Part II: Main survey (Q31 onwards).



PART II: MAIN SURVEY

SECTION A: LEVEL OF AWARENESS ABOUT THE MyCC

31. Have you heard of the Malaysia Competition Commission (MyCC) in the media before today?

- Yes (please go to Q32 – Q35)
- No (please proceed to section B)

32. If you answer yes, from where? (Select all that applies)

- The Internet
- Business Link
- Legal Advisor
- Financial Advisor/Accountant
- Malaysia Competition Commission (MyCC) advocacy programmes
- MyCC publications
- MyCC Website/Facebook/Twitter/Youtube
- Trade Association
- Local authority/council
- Trading Standards
- Trade Publication
- Newspaper
- Television/Radio
- A colleague
- Friends/Family
- Others (please specify): _____

33. Overall, how much would you say you know about the Malaysia Competition Commission (MyCC)?

- A lot
- A fair amount
- Not very much
- Have heard of it but know nothing about it
- Never heard of it

34. When was your last interaction with MyCC?

- 0 – 6 months ago
- Between 6 - 12 months ago
- Between 12 – 24 months ago
- More than 2 years ago
- I have not interacted with MyCC so far

35. Please indicate which areas MyCC is responsible for:

(select all that applies)

- Regulating high/excessive prices
- Establishing price guidelines or recommendations
- Advising the Government on competition matters in general
- Taking actions against anti-competitive business practices (e.g. competitors agreeing on selling price, bids to submit for a tender, etc)
- Promoting efficient market conduct and overall productivity in Malaysia
- Issuing licenses to businesses
- Granting approval for foreign investment
- Promoting a strong competitive culture in Malaysia
- Handling consumer protection issues (e.g. misleading advertisements, poor quality of goods and services, unfair trading, etc.)
- Don't know any

SECTION B: LEVEL OF AWARENESS ABOUT THE COMPETITION ACT 2010

36. Have you heard of the Competition Act 2010 in the media before today?

- Yes (please go to Q37 – Q44)
- No (please go to Section C)

37. If yes, from where?

- The Internet
- Business Link
- Legal Advisor
- Financial Advisor/Accountant
- Malaysia Competition Commission (MyCC) advocacy programmes
- MyCC publications
- MyCC Website/Facebook/Twitter/Youtube
- Trade Association
- Local authority/council
- Trading Standards
- Trade Publication
- Newspaper
- Television/Radio
- A colleague
- Friends/Family
- Others (please specify): _____

38. I find the Competition Act 2010 effective in keeping a healthy market competition.

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

39. I find the Competition Act 2010 business friendly.

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

40. I find guidelines on the Competition Act 2010 useful to apply.

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

41. I find guidelines on the Competition Act 2010 clear and easy to apply.

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

42. I think Competitive legislature is robust /comprehensive.

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

43. I think Competitive legislature is relevant and business friendly.

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

44. How much would you say you know about the Competition Act 2010?

- 1 – A lot
- 2 – A fair amount
- 3 – Not very much
- 4 – Have heard about it but know nothing about it
- 5 – Never heard of it

SECTION C: LEVEL OF KNOWLEDGE ABOUT THE COMPETITION ACT 2010

45. To the best of your knowledge, please indicate whether the list of practices below is illegal under the Competition Act 2010.

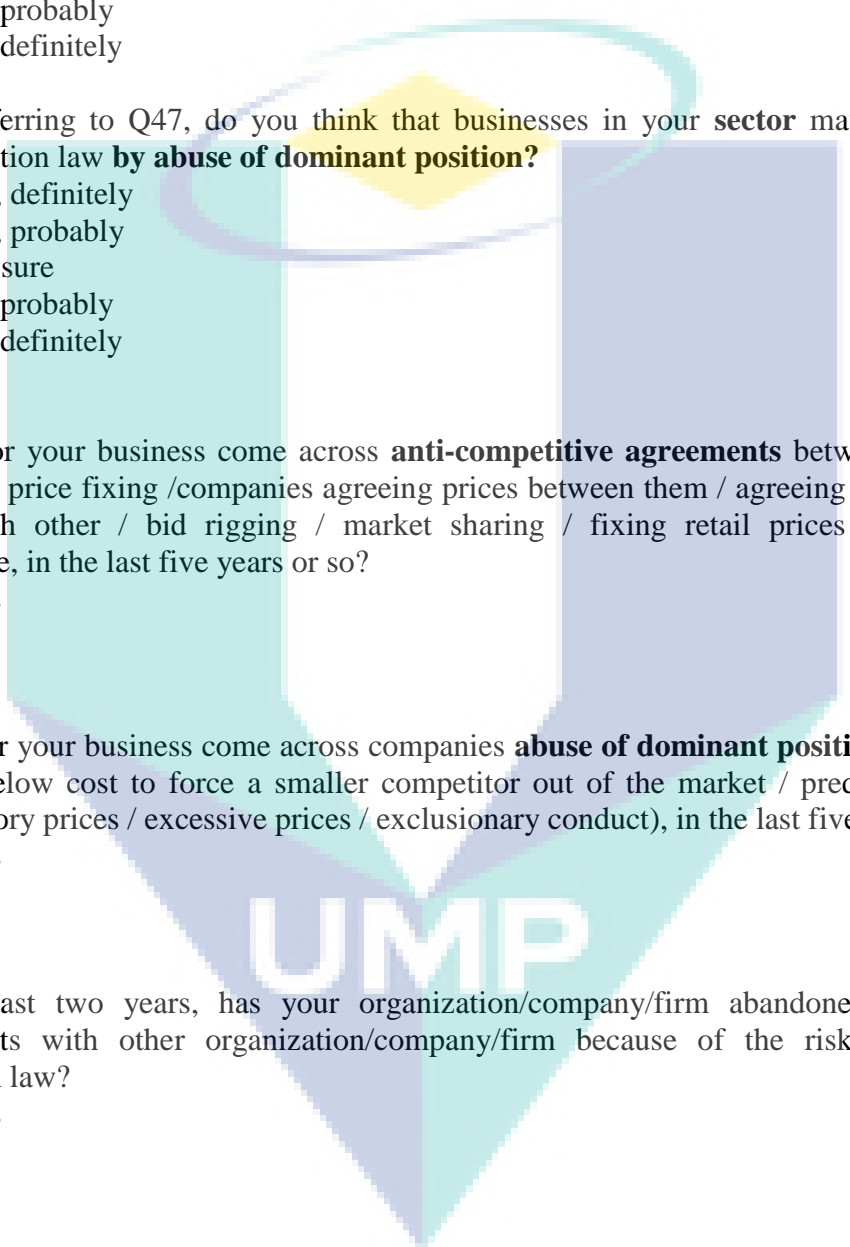
	Yes	Yes (Under certain circumstances)	No	Don't know
Price fixing				
Sharing markets or sources of supply				
Limiting or controlling production				
Bid rigging				
Price discrimination				
Predatory behavior towards competitors				
Refusal to supply				
Tied selling				
Buying up scarce goods or resources				

46. Having agreements on pricing, agreeing not to compete with each other, bid rigging or market sharing is known as having **anti-competitive agreements**

- a. Referring to Q46, do you think that businesses in your **state** may be breaching competition law **by having anti-competitive agreements**?
 - Yes, definitely
 - Yes, probably
 - Not sure
 - No, probably
 - No, definitely

- b. Still referring to Q46, do you think that businesses in your **sector** may be breaching competition law **by having anti-competitive agreements**?
 - Yes, definitely
 - Yes, probably
 - Not sure
 - No, probably
 - No, definitely

47. Cutting prices to below cost to force a smaller competitor out of the market, or engaging in discriminatory pricing, excessive pricing or exclusionary conduct, is known as **abuse of dominant position**.

- 
- a. Referring to Q47, do you think that businesses in your **state** may be breaching competition law **by abuse of dominant position**?
- Yes, definitely
 - Yes, probably
 - Not sure
 - No, probably
 - No, definitely
- b. Still referring to Q47, do you think that businesses in your **sector** may be breaching competition law **by abuse of dominant position**?
- Yes, definitely
 - Yes, probably
 - Not sure
 - No, probably
 - No, definitely
48. Have you or your business come across **anti-competitive agreements** between companies on pricing / price fixing /companies agreeing prices between them / agreeing not to compete against each other / bid rigging / market sharing / fixing retail prices / resale price maintenance, in the last five years or so?
- Yes
 - No
49. Have you or your business come across companies **abuse of dominant position** (e.g. cutting prices to below cost to force a smaller competitor out of the market / predatory pricing / discriminatory prices / excessive prices / exclusionary conduct), in the last five years or so?
- Yes
 - No
50. Over the last two years, has your organization/company/firm abandoned, or changed arrangements with other organization/company/firm because of the risk of infringing competition law?
- Yes
 - No
51. Please indicate whether the list of actions below is an outcome of breaching the competition legislations.

	Yes	No	Don't Know
Forced to stop the activities contravening the Competition Act 2010			
Investigation by the MyCC			
Directors can be disqualified			
Criminal penalties for individuals involved in hard-core cartels			
Can be taken to court by any injured party in pursuit of damages			
Fine – up to 10% of its worldwide turnover			
Fine, amount dependent of variety of factors			
Fine, don't know amount.			

52. To the best of your knowledge, even if you have never heard of the Competition Act 2010; please indicate your views on the scenarios' presented in relation to anti-competitive behavior of the Competition Act 2010.

- a. For a number of years, the three largest local suppliers of concrete have been tendering to supply for civil engineering projects. The bids have generally been at the high end of estimates, but there are few firms with the capacity to contract for such large jobs. The bids have always been close and appear to be competitive. Later, when asked, all three managers replied that the industry rate of return on capital has been too low and needs to rise. Based on the scenario above, in your opinion, is there possible collusion among the firms?
 - Yes
 - No

- b. In recent years, certain members of the footwear industry began to report sales orders as revenues in their public accounting reports. With a downturn in the economy, most orders did not materialize. This was followed by several unfavorable reports in the media regarding accounting practices in the footwear manufacturing industry. At a meeting of the Footwear Manufacturers Association, several members of the industry expressed concerns about the accounting practices of certain manufacturers and the associated impact on the industry's capitalization and reputation. Shortly thereafter, the Association issued a non-binding guideline on best accounting practices for members of the industry based on advice from accounting professionals. Based on the scenario above, in your opinion, does the voluntary industry guideline constitute infringement of the Competition Act 2010?
 - Yes
 - No

- c. The Home Builder Organisation plans to develop a large portion of land for low cost housing. Before the major contractor's tender, the site needs to be cleared and drained. It is decided to put the job out to select tender among six firms that demonstrated the

capacity and experience to perform the job. Five of the six firms lodged their bids two days before the closing of tender. The two lowest tenders required terms of payment that are not acceptable and a departure from the normal terms. One requires a substantial deposit while the other requires payment within seven days of a completion of a stage. After the tender exercise, when asked if they realize their terms of trade were non-confirming, they indicated they are extremely busy at present but wish to be considered for work in the future. Based on the scenario above, in your opinion, is there possible collusion among the firms?

- Yes
- No

d. Company S is a small business manufacturing stainless steel juice extractor, with two directors and three other employees. One of the employees, Mr. Know-it-all, has been exchanging industry aggregated information of past sales with its counterpart at Company T, a competitor. The directors of Company S know that Mr. Know-it-all usually have reliable information about pricing, and so allow him to advise them on their pricing strategy. They do not know how Mr. Know-it-all acquires his information and do not ask. Based on the scenario above, in your opinion, did Mr. Know-it-all infringe the provision of the Act?

- Yes
- No

SECTION D: PERCEPTION OF GENERAL STATE OF MARKET COMPETITION

53. I find many businesses in Malaysia is being run by only a few large players and there is not enough competition

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

54. I find many businesses in Malaysia colluding with one another (e.g. fixing selling price) and there is not enough competition

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

SECTION E: COMPANY PRACTICES, ATTITUDES & CULTURE OF COMPLIANCE WITH THE COMPETITION ACT 2010

This section is for those who are working in organisation/company/firm. For student or nonworking, please tick "Not Applicable" and proceed to the next section.

55. My company has a Competition Compliance Programme in place.

- Yes
- No
- Not Applicable

56. Please select if your organisation/company/firm has the following to address competition compliance. *(Select all that applies)*

- Training for employees
- System to review processes
- Internal audit on risk and compliance
- Policy and code of conduct for competition
- Reporting system on uncompetitive behavior
- A compliance officer/ unit/ department is set up
- None of the above
- Not Applicable

57. Do you think your organisation/company/firm takes appropriate actions to ensure compliance with Competition legislation?

- Yes
- No
- Not Applicable

58. My organisation/company/firm's leaders/management is strongly committed to compliance.

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree
- 6 - Not applicable

59. My organisation/company/firm regularly conducts training for its employees for compliance.

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree
- 6 - Not applicable

60. My organisation/company/firm regularly review its compliance programme to ensure its effectiveness.

- 1 - Strongly Disagree

- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree
- 6 - Not applicable

61. My organisation/company/firm has an effective whistle-blowing programme.

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree
- 6 - Not applicable

SECTION F: PERCEPTION OF MyCC ENFORCEMENT EFFECTIVENESS

62. I find MyCC a professional organisation. It embodies attributes like competence, commitment, integrity and excellence.

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

63. MyCC is effective in taking actions against anti-competitive business practices in Malaysia.

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

64. MyCC is rigorous in its analysis and makes decisions that are sound, well explained and understood

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

65. MyCC effectively considers the feedback of affected parties and makes decisions that are objective

- 1 - Strongly Disagree
- 2 - Disagree

- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

66. MyCC's actions have positive impact on the market it intervenes (eg. more competitive prices, wider range of goods and services, etc)

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

67. MyCC is effective in promoting a strong competitive culture in Malaysia

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

SECTION G: QUALITY OF MyCC's OUTREACH AND ADVOCACY

68. MyCC is effective in reaching out to stakeholders.

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

69. MyCC provides sufficient public information.

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

70. Information on MyCC's decisions is easily accessible.

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

71. MyCC's competition messages to its stakeholders are adequate, consistent and clear.

- 1 - Strongly Disagree
- 2 - Disagree

- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

72. I find MyCC's outreach sessions effective.

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

OPEN ENDED QUESTIONS

1. What do you think of the level of competition in the market? Cite examples of competition issues that you are aware of.

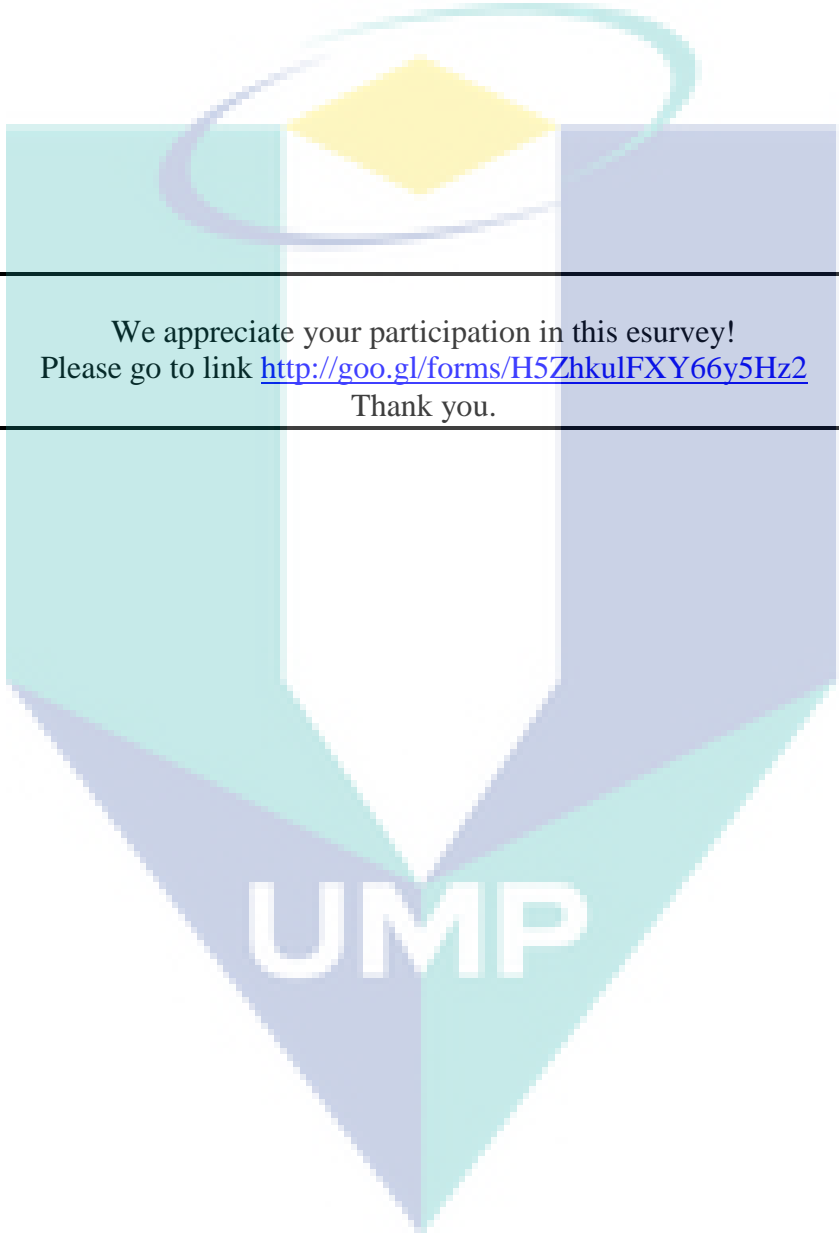
2. Do you think MyCC has been able to produce a culture of competition compliance in the market?

3. Do you think MyCC has been able to produce a healthy competition in the market? If Yes, please state what else can be improved? If No, please state what needs to be improved?

4. What do you think of the enforcement of the Competition Act 2010 by the MyCC?

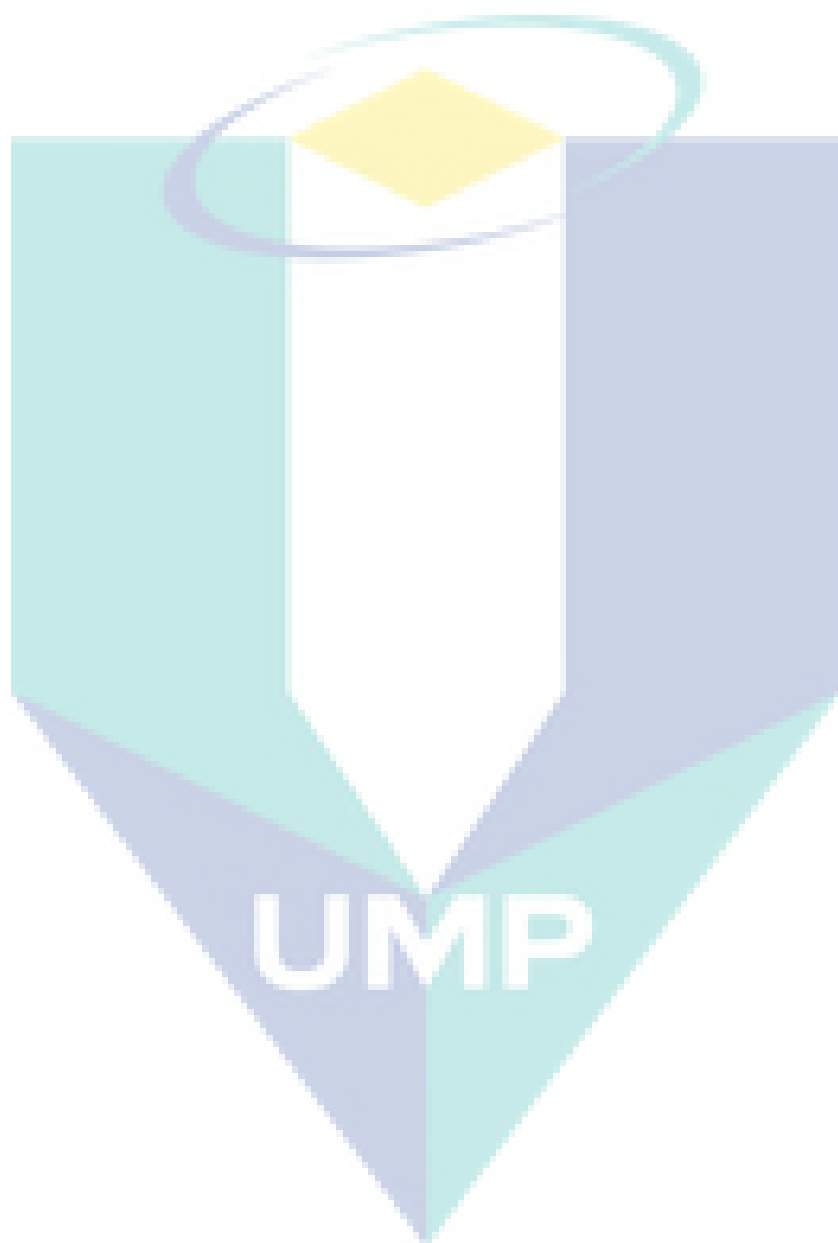
5. Other comments. It can be about the study or the MyCC?

***You have reached the end of the questionnaire.
Thank you for participating in the survey.***



We appreciate your participation in this esurvey!
Please go to link <http://goo.gl/forms/H5ZhkulFXY66y5Hz2>
Thank you.

UMPA



Gmail

COMPOSE

Study on the Awareness and Perception of the Competition Act 2010 and Role of the Malaysia Competition Commission (MyCC) in Malaysia

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MyCCgrant 2016 <myccgrant2016@gmail.com> Aug 19

to sawangku15, agrosegar_sb, smartfoodventu., hall_bakar, zrinad, awsb, ambangwibawa, admin, nafs, mybam, hrd, jan, fiz, hayati, nbpoultry, suhaimilassim, mazrimansor, sjemran, syktwahi, dr

YBhg Dato /Datin /Prof. /Dr. /Mr. /Ms/ Sir/ Madam,

Study on the Awareness and Perception of the Competition Act 2010 and Role of the Malaysia Competition Commission (MyCC) in Malaysia

We are inviting you to participate in this survey because your views are valuable to us!

This is a study on the awareness and perception of stakeholders of the Competition Act 2010 and the Role of Malaysia Competition Commission (MyCC) in Malaysia. The objective of this study is to assist the MyCC to examine the types of advocacy and outreach programmes needed and the best mode of communication to reach out to the stakeholders in the future.

By participating in this survey, your voice will be heard and you will help shape the future of the competition market in Malaysia. This survey will take less than 30 minutes. Please be assured that your response will be kept confidential.

We would like to invite you to participate in the survey by visiting the link at <http://goo.gl/forms/H5ZhkuFXy66v3Hz2>

If you have any questions, please contact Dr. Yuvaraj Ganesan at: y_raj79@yahoo.com or Ms. Shashaa Sankaran at shaperwira@yahoo.com.

Thank you for participating in this important survey!

Prof. Dato' Hasnah Haji Haron
Principal Researcher cum
Dean, Institute of Post-graduate Studies
Universiti Malaysia Pahang (UMP)

Co-researchers:
Dr. Dato' Ishak Ismail (UMP)
Dr. Yuvaraj Ganesan (USM)
Assisted by:
Ms. Shashaa Sankaran (USM)

UMP

No recent chats
Start a new one

6 August, 2016

Mr. Zumar Zainuddin
State Director
SME Corporation - Penang
Lot GF 0.2 & GF 0.3
Ground Floor, Bangunan KWSP
No. 3009, Off Lebu Tenggiri 2
13700 Seberang Jaya, Penang

Dear Sir/Madam,

Study on the Awareness and Perception of the Competition Act 2010 and Role of Malaysia Competition Commission (MyCC) in Malaysia

We would like to invite you or your representatives to take part in a Focus Group Discussion (FGD) of our research study as aforementioned on **15 August 2016 (Monday)** at **9.30 a.m.** at the **Meeting Room, Graduate School of Business, Universiti Sains Malaysia, 11800 USM, Penang**. This study is commissioned by the MyCC as the supporting letter attached.

This FGD will provide an opportunity for us to find out about your perception on the role and activities of the MyCC in relation to the Competition Act 2010. Your views would help us to formulate better advocacy and outreach programmes that meet the needs of the Malaysian society as well as the best way to disseminate information on the MyCC's advocacy and outreach programmes in the future.


Your organisation has been selected at random to participate in this study. Please be assured that any information that you share with us will be kept private and confidential.

This FGD should last no longer than two and half hours. We will provide refreshments. If you have any queries, please contact us:

1. Dr. Yuvaraj Ganesan, Email: y_raj79@yahoo.com, Tel: 012-4683386
2. Ms. Shashaa Sankaran, Email: shaperwira@yahoo.com, Tel: 016-4805265

Thank you.

Yours sincerely,



Prof. Dato' Hasnah Haji Haron
Principal Researcher cum
Dean, Institute of Post-graduate Studies
Universiti Malaysia Pahang (UMP)

Co-researchers:

Dr. Dato' Ishak Ismail (UMP)

Dr. Yuvaraj Ganesan (USM)

Assisted by:

Ms. Shashaa Sankaran (USM)

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Invitation Letter - Study on the Awareness and Perception of the Competition Act 2010 and Role of Malaysia Competition Commission (MyCC) in Malaysia Inbox x

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to harlina, bcc: Hasnah, bcc: hasnahharon, bcc: ishakismail, bcc: y_raj79, bcc: me, bcc: Sasikala ▾

Dear Puan Harlina,

Herewith attached the invitation letter for the above mentioned focus group discussion held recently at the Universiti Malaysia Pahang for your reference and attention.

Please share the below esurvey with members of your organization.

Thank you.
Regards,
Shashaa Sankaran
Research Assistant

We appreciate your participation in this esurvey!
Please go to link <http://goo.gl/forms/H5ZhkulFXY66y5Hz2>
Thank you.

UMP

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