

Focus Dynamics awards exclusive food delivery job to Lambo

By Farah Adilla - June 9, 2020 @ 7:09pm



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KUALA LUMPUR: Focus Dynamics Group Bhd, via its wholly-owned Marquee International Sdn Bhd, has awarded an exclusive food delivery agreement to Lambomove Sdn Bhd.

Lambomove is a wholly owned subsidiary of Lambo Group Bhd.

Focus Dynamics said this was in relation to the delivery of food from its Cloud Kitchens which was earlier announced on June 2.

Focus Dynamics executive director Tay Ben Seng said it had already moved into the food delivery business during the Movement Control Order (MCO) period.

"As the population adjusts to a new paradigm of social distancing due to Covid-19 pandemic, food delivery business has grown exponentially.

"So fast that it propelled us to bring forward the launching date for our Cloud Kitchen business and seize the opportunity before the big boys like CloudKitchens, Kitchen United, Virtual Kitchen Co and DoorDash Kitchens could penetrate our local and Southeast Asia markets," he said.

Focus Dynamics said its maiden Cloud Kitchen is located at Menara Persoft Tropicana.

"More Cloud Kitchens would be built in capital cities of each state and in our neighbouring countries, if our market feasibility research shows that a critical mass of food delivery business has been achieved," said Tay.

Under the exclusive agreement, Lambo would assign and provide drivers and riders to Focus' Cloud Kitchen and dedicated hub to sort and arrange for the last mile delivery jobs as well as providing event tracking delivery during delivery.

Lambo executive director Koo Kien Yoon said the company's logistic services would be expected to grow together with the online food delivery market.

He said estimated revenue from Malaysian online food delivery amounts to RM896 million (US\$211 million) in 2020, an increase of 46 per cent year-on-year on the back of 6.9 million users.

He said this revenue is expected to expand at a compounded annual growth rate of 18 per cent over the next four years, resulting in a market volume of RM1.74 billion (US\$410 million) by 2024.

Globally, most revenue is generated in China with RM218.71 billion (US\$51.51 billion) in 2020.

"That is why we are in this high growth business. The number speaks for itself. Industry delivery charges are around 20-30 per cent of the value of the food delivered. Wherever Focus' Cloud Kitchen is opened, we will follow and grow with them as a team," said Koo.