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For Reka Setia, business is child's play

KUALA LUMPUR: Although children in the 21st Century are more into IT gadgets, the curiosity in them always leads them to explore every corner of the house or have fun with other kids at the playgrounds.

Despite competition from computer games, demand for playgrounds, both outdoor and indoor, never falters. Reka Setia Sdn Bhd, a playground and sports equipment facilities provider, is confident of market growth as the company has been enjoying annual sales increase since it was established in 2000. "We see huge potential in the children entertainment and recreation market," Reka Setia managing director Andy Low said.

For this year, Reka expects its sales to grow 10 per cent from RM9 million last year. The bulk of the revenue, or 80 per cent, comes from the domestic market and the remaining from the export market.

Reka designs and manufactures its own equipment. It builds integrated children playgrounds, modular skate parks, water theme parks and fitness equipment. The company also provides thematic playgrounds such as adventure ships, jungle treks, monkey islands and others.

According to Low, Reka has expanded its business model from Business-to-Business (B2B) to Business-to-Consumer (B2C) with the launch of its first indoor playland, the Reka Zone Indoor Playland, at the IOI Mall in Puchong recently.

Previously, Reka only supplies its playground equipment to playground operators, it now sells the sets directly to consumers, including home-owners. "It is our first venture into an indoor playland within a shopping complex," he said, adding that the company has invested RM600,000 to set up its B2C business unit.

Low told Business Times that the company would like to focus on the existing playland before it considers a second one. "We also design playgrounds according to client's specific requirements," he said. He said the company's move into retail and home market segments is part of its long-term plan to eventually become a complete playground and fitness equipment global provider.

"We believe that getting our foot into the B2C segment will enhance our brand further. Essentially, it is about becoming a Malaysian brand that is known globally," he added. Currently, Low said Reka is pumping up its product development and continue investing in research and development (R&D) to offer a wide range of playground equipment for both indoor and outdoor, retail and home use by year-end.

"As long as we place our customers as the focal point of our business direction, we are confident that we can be number one in Malaysia and in Asia," he said. For the past 10 years, Reka has invested almost RM10 million in its R&D unit and 16,000 sqft manufacturing facility in Puchong, Selangor.

Reka playground equipment are marketed to more than 15 countries including Brunei, Chile, Indonesia, Thailand, the UAE, Kuwait, the Maldives, Oman, Hong Kong and the Seychelles. As an active member of International Association of Amusement Parks and Attractions and World Water Park Association, Reka has been awarded the "National Mark for Malaysia Brand" by SME Corp Malaysia and Sirim Malaysia, it is also the recipient of many industry awards, including Industry Excellence Award 2007 by International Trade and Industry Ministry and Enterprise 50 Award 2008 by SME Corp.

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