

# Wau Tradisi: Branding of a Traditional Family Mixed Gravy Spice

**Authors:** Hasannuddiin Hassan, Mohd Nor Hakimin Yusuff, Mohd Ikwana Aziz

## Prologue

The clear blue sky that morning made Anazim reminisce. He sat on his favourite chair in the office, white paper and product samples scattered at the edge of the desk. His mind reflected on the success attained from countless hours of hard work and resilience for the past decade. He still remembered the first day he took over the business from his father (passed down from his mother). During those days, he believed the legacy could expand substantially. He assumed that the growth process would be smooth sailing but the journey was the opposite. The experience was unique, a “yo-yo” journey with internal and external obstacles. Nonetheless, he never gave up because of his passion and dream that kept him moving forward. All the exhaustion, despair and tough times seemed to disappear when he gained several achievement awards.

## The Wau Tradisi Background

Wau Tradisi Sdn. Bhd. is a local manufacturer for ‘Gulai’ or curry powder established since 1967. Currently, Wau Tradisi is managed by Mr Mohd Anazim Adnan as the company chief executive officer (CEO). Previously, the company was known as Syarikat Selira Pantai Timur. The initial focus area of the operation was in east coast Malaysia. The business journey began when the first Wau Tradisi product was produced from home.

Wau Tradisi subsequently delved into the local market to expand market outreach. The local market became eventually crowded due to too many competitors for mixed spice. In 1986, Wau Tradisi received an offer from a Small and Medium Enterprise Bank (SME Bank) to operate the business at a factory under the SME Bank Pilot project. Consequently, Wau Tradisi operated the official business at a factory that enabled production growth and market outreach.

## THE AUTHORS

Hasannuddiin Hassan, Mohd Nor Hakimin Yusuff (Ph.D) and Mohd Ikwana Aziz (Ph.D) are based in the Faculty of Entrepreneurship and Business, Universiti Malaysia Kelantan, Kelantan, Malaysia

Corresponded Email: [hasann@umk.edu.my](mailto:hasann@umk.edu.my)

## Disclaimer

This case is written solely for educational purposes and is not intended to represent successful or unsuccessful managerial decision-making. The authors may have disguised names; financial and other recognisable information to protect confidentiality.

The company vision aims to build a strong branding, well-known as a spice manufacturer and supplier that dominate the Asian Market. Meanwhile, the mission of Wau Tradisi is to emphasise product quality and productivity at the highest level continuously. The company also aims to fulfil the need of Islamic religion as Fard Kifaya that invoke Muslims to prepare Halal food products. Additionally, the four core values that drive the company objectives are Customer, Productivity, Teamwork, and Integrity. Mr Anazim stated that:

*“We are selling this product since my father is into the business. He always said do not change this product, if you change, customers will go to other shops”. Said Mr. Anazim*

The words that carry Wau Tradisi values preserved the spices in its original flavour. The secret recipe has been passed down from the grandmother to the father to Anazim. To date, the secret spice recipe remains original from the raw material preparation to the end product.

Even with the new revolutionised spice production, Wau Tradisi still manages to maintain the spice taste, quality, and condition in the market. Resultantly, customer loyalty continues to grow over time. Presently, Wau Tradisi has produced over 62 products that include pure spice powders, mixed spice powders, herbs, ground spices, and signature blended spices. The products are available at most retail shops in east coast Malaysia. Moreover, the product is available online, such as MyBazar, Lazada, Shopee, and Wau Tradis Online Store.

### **The family involvement**

*“The company origin was founded by my father, and most of the workers during that time was from my father’s family relatives. After I took over the business, we have renamed the company as Wau Tradisi. The Wau Tradisi was founded by me and my brother”.*

Family involvement in business requires different managerial approach compared to a non-family business. Although family business might perform well at the individual level, several studies suggested that family-owned businesses differ based on three interactive

components: the business, the family, and the owners that are depicted as a three-circle model.

### **The Concept Change Management**

Every business wants to be successful. Business success requires a company to specify its goals in order to form an efficient work structure, assess the company performance, and most importantly, provide strong leadership. Nonetheless, few knowledge exists on how a family business maintains its success except on how to be profitable to survive. Family businesses long-term success depends on the mutual interactions between each component within the three-circle model. Nevertheless, conflicts in family company are inevitable, thus a mutual understanding on individual roles is critical if a family wishes to pass a successful business to the next generation. "I am not interested to continue my studies at the moment. Even so, I have to be at par with them," Anazim stated.

The change management must be performed in any type of business to ensure the business continues to operate. Furthermore, the constant change is essential for the company to meet specific customer demands and needs at any time. Hence, the company must construct an active policy of change management to prevent future issues of change among workers. Change management has been understaffed due to the transition from an original to a definitive state. The change management seeks to transform with agility and adapt to the market needs. Therefore, the company should emphasise five major components: communication strategy, risk mitigation, company culture, return of investment, and stakeholder analysis. Without concern on the components resulting in resistance to change among the workers as the workers who are involved are accustomed to the working methodologies.

### **The results**

The case study aims to explore Anazim's managerial actions of maintaining the multi-generational business legacy at Wau Tradisi mixed gravy spice. Each action is influenced by Anazim's obligations as the third-generation family member, the manager of a traditional meat floss business, and as the older brother of the business owner.

## **The Change Management chronology**

*“The initial capital was from my grandmother, before the business started we just make the mixed spices for our personal use. When people taste our product at home, they ask to bring the mixed spice home. After a while, as most of the people around keep on asking to bring back the spices, we began to produce on our own in the kitchen and started selling. Then, the journey began, starting from my father and passed over to me”.*

The business began in the 1970s, starting from the owner, Mr Anazim’s father, who started selling the spices among colleagues and villagers. Nevertheless, the first capital for the spice business came from his grandfather. The business activity during the 70s only revolved around the local market considering that less retail stores or supermarkets were available to place the products.

In 1986, the Malaysian government established the Development Bank by the previous Ministry of Finance, Tengku Razaligh Hamzah, including the factory apprentice of the Development Bank. The bank opened their first pilot project for any factory with the experience to run the business operation. The selection began when Anazim’s father business was selected as a participant in the apprentice programme. Hence, the first spice factory business began at Pengkalan Chepa, Kota Bharu, Kelantan. Unfortunately, the selected process was complex where the company had to compete with many competitors from other business factory operators. As the programme aims to transform the small business into factory operation., Anazim’s father was called to pitch the business during the selection process and justify why they should be included in the programme. Anazim’s father managed to overcome the obstacle and became a participant in the programme despite various competitors and setbacks.

The business operation at the earlier stage was managed by Anazim’s father until 2003. Subsequently, Anazim took over the business from his father. The business handover was a major decision given that Anazim was not the only child in the family. His father observed and made a proper assessment to assess which child from the family could manage the business properly and who possessed high commitment to bring the business further. After a thorough assessment, the father saw that Anazim was highly committed in handling and managing the business. In 2004, the business operation was fully taken over by Anazim.

## Wan to Wau Tradisi: The branding

*“Previously, the local profit sales were minimal, then I began to consider branding the product. Before this, my father has brought the Wau brand in the market but the attempt has been abandoned, and the documentation about the brand was lost. Then, I have to re-apply the trademark because there are 30 brands outside that used that brand name. Since we want to maintain the Wau name and the traditional spice making, hence we came up with Wau Tradisi”.*

After the business was taken over, Anazim believed he would be able to handle and manage the business well until the first challenge emerged; the branding process. During his father’s business operation, the spice business was under the Wau brand name but the business mainly emphasised bulk sales not in proper packaging. Anazim noticed the business concern, which is the margin is too small. He predicted that if the business fails to have a proper product brand, the business would fall and collapse. Hence, he believed that something should be done with the brand.

During Anazim’s feasibility study, few people know about the Wau spice brand despite being in the market for almost 20 years. Subsequently, he started re-packaging the spices into a generic spice packaging with Wau brand. The issue emerged when registering the Wau brand name as a trademark. The register process was not successful due to 30 group of products being registered under the Wau brand name. Moreover, Anazim had to abandon the Wau business name and start all over again with a new brand name, which would incur additional cost.

The business started from his father’s use of the Wau brand, thus Anazim believed that the Wau brand name significantly impacts the business brand which explains his wish to maintain the Wau brand name in the market. Finally, he chose Wau Tradisi as the spice brand. The idea behind the selection of the brand name originated from the traditional spice making process inherited from his grandfather. The spice brand spread to Pahang and Terengganu, including retail consumers. Anazim was able to manage the brand well and officially register Wau Tradisi Spices as a trademark.

## **Zero to Hero: Building the brand**

*“When I took over the business, some of the workers were our relatives, and some of them have been working for almost 20 years. When I give the instruction to them, they do not want to follow, since I am still young and inexperienced. Several attempts involved giving orders to them, but they remained with old orders. Until at the peak, when they start to resign due to failing to accept the new change I have made”.*

All the previous recruitment process was conducted by Anazim’s father for the factory operation manpower. During which the factory production was approximately 150kg per day, which sufficed at that time. Unfortunately, the demand gradually increased over the years, while the production remained the same. After Anazim took over the business, he wanted to make a big leap to cater to the gap in market demand. In order to double the production, the operation process needs to be more effective and efficient. Anazim planned to change the process of production operation to meet his target.

The issue emerged when most workers refused to change their working style. The workers believed that what they were currently doing was the best way to operate. Anazim insisted on asking the workers to change their work behaviour. The conflict began when the workers regarded Anazim as incapable of managing the company well due to his young age and not knowing much about the factory operation. The workers began a strike, refusing to listen to any of Anazim’s instructions. The business performance and the production was affected, where the profit dropped, the stock was low, sales decreased, and the workers’ motivation was at the lowest, hence endangering the Wau Tradisi brand. The workers started to tender their resignation and the situation worsened, causing Anazim to lose experienced workers and completely halting sales and production.

The situation forced Anazim to form a radical and drastic plan to ensure production, business, and regaining of the brand. He turned to his brother who was working at Kuala Lumpur to assist him in recovering the business. The attempt was difficult as his brother was initially reluctant to return to aid him. He convinced his brother by explaining the previous situation and the current Wau Tradisi market. Wau Tradisi has established its

market from Kelantan to Pahang, and the monthly sale was around RM40 to 50 thousand per month. Finally, his brother was convinced and resigned from the job in Kuala Lumpur and worked together with Anazim in the business.

*“We had to make radical changes for recruitment, we no longer need to depend on academic qualification for recruitment. We have to find the workers based on resilience”.*

The brothers started a new recruitment process for production and management, while showing the workers the correct way. The business was rebuilt from scratch, from the production, marketing, sales, to maintenance. The recruitment process was the toughest process as the previous process considered academic qualification, which backfired when the new operation staff failed to work well due to the working environment. The most extreme case was when a new staff reported duty in the morning but was missing in action in the afternoon.

The situation threatened the business operation due to not meeting the output target. Anazim changed the recruitment process of new workers according to durability and resilience. The plan was a success, he managed to maintain the workers longer than before. The business operation gradually recovered after almost five to six years. Presently, Anazim is able to retain experienced workers for up to 10 years. Furthermore, the Wau Tradisi brand developed strongly and spread widely among spice buyers and suppliers. Anazim is presently able to manage Wau Tradisi Spice for 40 years in the market, the business maintained its production of up to 500kg per day. The business also retained workers to operate the business despite continuous challenges affecting the business operation. Nonetheless, Anazim’s wise decision and action has placed the Wau Tradisi brand in its league, where the brand is currently a role model factory among new entrepreneurs.

Wau Tradisi also secured the factory expansion grant from SME Banks to upgrade their production, enabling Wau Tradisi to expand the business market to the West and Central region in Malaysia. Furthermore, the demand from neighbour country, Thailand began to

## Keywords

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increase rapidly due to Wau Tradisi spice flavour that suit the taste of Thai consumers. Wau Tradisi also began venturing internationally to expand the market.

Wau Tradisi currently competes with the biggest spice player, such as BABAS, ADABI, and Faiza spice in the mainstream market. Thus, the challenges for Wau Tradisi have developed into different level compared to solely handling internal matters. Presently, Wau Tradisi has to develop the business to manage internal and external issues.

The business challenges are part of Wau Tradisi development process. Through maintaining wise decisions and adapting with the current environment, Wau Tradisi can overcome the challenges and expand the business internationally and succeed in the future of the spice industry.

“Semua orang boleh berjaya, jika terus melangkah kehadapan, cabaran dan liku adalah satu langkah perjalanan menuju kejayaan” – Anazim

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