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Sanam Sartorial: Unique Selling Points of Informal Refugee Entrepreneurship

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**Business Case Study Series:
August 2024**

ASEAN Research Center (ARC)

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EXECUTIVE SUMMARY

This case study focuses on Nadia Sanam, a traditional Afghani women's tailor and founder of a home-tailoring business, Sanam Sartorial. She faces significant difficulties as a refugee entrepreneur in Kuala Lumpur, which prohibits her from legally registering the business and accessing formal financial support, by extension limiting her ability to exploit the burgeoning Malaysian apparel market. Sanam Sartorial's key challenges, tied to her refugee status, are as follows: (1) its need to create demand in its host market; (2) a lack of brand identity; (3) language barriers; (4) a lack of market knowledge and access; and (5) financial constraints. Broadly speaking, this case study argues that she has two potential avenues to growth: (1) creating a demand for Afghani fashion among Malaysian communities; and (2) overcoming other operational challenges, namely language barriers as well as a lack of production capacity or an online storefront, to meet potential supply.

ASB-ARC | BCS001 / 5 August 2024

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Attribution – Please cite the work as follows:

Muhammad Sukri Ramli & Bari, Mustabeen Ul. (2024). *Sanam Sartorial: Unique selling points of informal refugee entrepreneurship*. ARC BCS ID: BCS001. <https://asb.edu.my/faculty/research-publication-database/> Kuala Lumpur: Asia School of Business.

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Introduction

“Nadia Sanam”¹ has been a traditional Afghani women’s tailor for 27 years. She founded her home-tailoring business, Sanam Sartorial, in Afghanistan, which operated for 20 years. When her entire family was displaced seven years ago, Nadia re-established Sanam Sartorial in Malaysia and has since run her informal business from home, within the Afghani refugee community in Ampang.

Nadia has showcased remarkable resilience and adaptability in operating this business single-handedly. However, her refugee status prohibits her from legally registering Sanam Sartorial and consequently prevents her from accessing formal financial support, which is crucial for setting up a physical storefront. These severe challenges are compounded by the cultural differences and language barriers that she has faced following her displacement, but Nadia has navigated them using the resources available to her so far. These difficulties may also prove to be a marketing opportunity for Sanam Sartorial, thus infusing her business with a sense of authenticity and an inspirational narrative of resilience for people facing similar challenges.

In this case study, we analyse Sanam Sartorial and its market environment to understand the unique traits, forces and resources that have shaped this example of refugee entrepreneurship, with broader implications for individuals in similar circumstances across Southeast Asia. We evaluate the common constraints faced by these informal entrepreneurs and subsequently discuss how they can potentially use their home cultures as competitive advantages in host markets. Lastly, we recommend a growth plan for Sanam Sartorial based on contextual challenges and opportunities.

Industry Context

A Business Overview

Like many micro, small and medium enterprises, Sanam Sartorial was born from a compelling need. Nadia’s family required an additional income source to complement her husband’s wages as an apprentice roti-maker. Nadia monetised her knowledge of Afghani fashion accordingly by using her knowledge of design and tailoring. This pragmatic decision to base her business around her existing skillset has resulted in Sanam Sartorial’s long lifespan and survival despite Nadia’s displacement. Her business model is simple and robust: she builds relationships with customers (as opposed to acquiring them), with whom she collaboratively designs individual products, thus distinguishing herself from competitors by making unique design suggestions in the process. Besides creating new pieces, she also offers alteration services, which are important for cultivating repeat customers. Her pragmatic pricing model means that customers bear the full cost of materials (resulting in a flexible commitment) and thus pay a tailoring fee for bespoke services below the market rate.

¹ Her name and that of her business have been altered to protect her from risks posed by her refugee status.



Figure 1: A product of Sanam Sartorial

This model's distinct strengths lie in service personalisation, committed buyer-seller relationships and Nadia's signature designs. This approach has provided Sanam Sartorial with a formidable foundation, first in Afghanistan and now in Malaysia. It is important to recognise that the bespoke nature of this business causes difficulties in scaling the business upwards without losing its unique selling proposition (USP). It is also over-reliant on pre-existing demand from its market niche, which causes difficulties in expanding to new markets. After all, the business is currently restricted to an exclusively Afghani refugee clientele and has failed to break into the mainstream Malaysian market. A summary of the business's current state is provided in the Appendix, which lists granular details such as its captive consumer base and maximum production of 25–35 pieces monthly. Both aspects are symptoms of business stagnation.

The Malaysian Apparel Industry

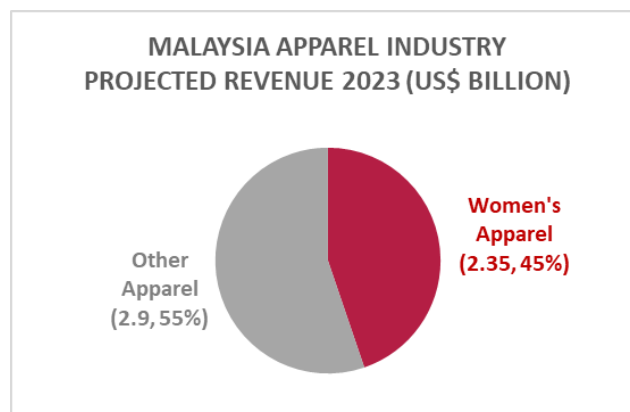


Figure 2: The Malaysian apparel industry's projected revenue in 2023

Sanam Sartorial operates in the dynamic and diverse Malaysian apparel sector, where revenue was projected to reach USD 5.25 billion in 2023. The largest market segment, women's apparel, was projected to have a market value of USD 2.35 billion. Key industry players range from global fashion brands to emerging local ones. An increasing number of global fashion brands have entered the market in recent years, including Longchamp, Uniqlo, Celine, Muai Jim and Versace. Other brands, occupying varying positions in the market, have expanded their presence and are broadening their customer base. Beyond these large players, there are approximately 8,000 SMEs and informal businesses. Additionally, there is a growing online market which is expected to contribute to 12% of all fashion purchases in Malaysia in this year.

This market is characterised by monopolistic competition, where many businesses—

especially small and medium enterprises (SMEs)—offer similar but not identical products. Therefore, the need to distinguish one's products from others is key to giving businesses a competitive edge. Industry growth has been driven by rising affluence and surging consumer confidence and has been particularly reflected in increased spending by women. An important factor is their increasing participation in the workforce, which leads to increased disposable income and higher spending on apparel. Moreover, as Malaysian women become more financially independent, their unique self-expression needs mature in tandem. Therefore, they are more likely to spend money on products that express their unique styles and identities.

Given the general diversity of fashion styles in Malaysia, there is a fantastic opportunity for Sanam Sartorial to enter this growing market—specifically, by differentiating itself from competitors by specialising in Afghan heritage fashion. Offline and online SMEs are both direct competitors (i.e., tailors) and substitutes (i.e., apparel).

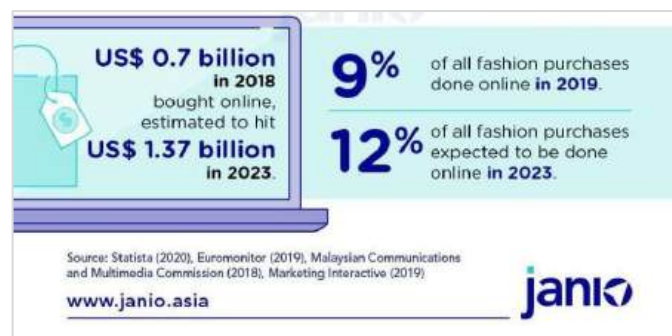


Figure 3: Analysis of online fashion purchases

PORTER'S FIVE FORCES: **SANAM SARTORIAL**

THREAT OF NEW ENTRANTS	THREAT OF SUBSTITUTES	COMPETITION	SUPPLIER POWER	CUSTOMER POWER
LOW	MODERATE	MODERATE	LOW	HIGH
New entrants would need Afghan fashion expertise to enter the same niche.	Although the Afghan niche itself is irreplaceable, other West Asian fashions may be acceptable substitutes (Iranian, Pakistani, etc.).	We found no direct Afghan fashion competitor. However, this is a price-sensitive segment that is likely to explore non-specialised tailoring services (offline and online).	Sanam Style uses no special raw materials and sources from Jalan Masjid India market, which aggregates many suppliers who bid to offer the best prices.	Until demand is created among Malaysian customers, decisions are based on the lowest price. Afghan customers have the know-how to guide general tailors according to their needs. However, by creating demand in the wider market, this force can be changed.

Figure 4: Analysis of Sanam Sartorial's work based on Porter's (1980) Five Forces framework

Challenges and Solutions

Challenges Faced

In this context, Sanam Sartorial, with its focus on Afghan/West Asian women's fashion, caters to a unique market segment. As a refugee-owned business, it faces unique challenges and opportunities.

A Lack of Demand

Sanam Sartorial's key challenge is the need to create demand in its host market. This difficulty lies at the root of several subsequent issues—after all, without growing a local customer base, revenue eventually stagnates and a business loses its ability to reinvest. Even if Nadia can secure external investment to expand her operations, additional production capacity will be unutilised because of a lack of new customers whom she can serve. For

Nadia, demand creation is not just a bottleneck to accessing further opportunities, but also a potential threat to her current business. Sanam Sartorial survives based on the commitment of her repeat customers, most of whom are close friends. But if these captive consumers were ever to leave, her business would quickly deteriorate. To protect her current business and grow into her wider host market, Nadia needs to address some interlinked challenges.

A Lack of Brand Identity

Without a distinct visual and narrative brand identity, Sanam Sartorial is unlikely to gain traction in the wider market. The business is missing several low-effort but high-return touchpoints, such as having a brand logo, sharing product stories through online posts or even documenting Nadia's own journey as an Afghani fashion designer. Although cultural storytelling is the primary hook that heritage brands use to export their traditions to foreign markets (or a host market, for refugee entrepreneurs), Sanam Sartorial has not utilised its substantial narrative potential yet.

A Language Barrier

Nadia faces a major barrier in storytelling—thus compounding her challenge above—because of her lack of English or Malay proficiency. Fluency in either of these languages is crucial for communicating with a potential Malaysian consumer base. She resiliently works around this difficulty to some degree with the help of her four children (who are relatively fluent in English) who help her handle online communication and social media posts. However, without firsthand proficiency, she is unable to maximise the impact of Sanam Sartorial's promotional communication. This issue underscores the broader challenges faced by refugee and migrant groups in integrating into their host communities and accessing economic opportunities in the process. However, it is also necessary to recognise the systemic and structural challenges which prohibit them from legally integrating in the first place.

A Lack of Market Knowledge and Access

Sanam Sartorial currently operates out of Nadia's own home. This arrangement helps keep operational costs to a minimum, but without a dedicated storefront, she cannot gain any foot traffic which may potentially grow her business. Although renting a store may be a costly proposition at this stage—and there may be regulatory difficulties too, given her refugee status—there are many temporary placement opportunities available, such as pop-up markets and stalls which could prove invaluable for breaking into a larger host market. However, without any strong connections with such market platforms and groups, it is difficult for her to both learn about and take advantage of such opportunities.

Financial Constraints

As a refugee, Nadia lacks significant disposable capital or access to external financiers. If Sanam Sartorial is to grow, hire employees and potentially set up a physical storefront, its most likely course of financing has to come from maximising sales and increasing the inflow of cash. However, some immediate investments are possible through disciplined financial planning. For example, Nadia lacks a Pico machine, which she currently rents at a rate of RM25 per piece—this cost cuts into her tailoring profit margin. A secondhand Pico machine, which is a suitable investment, costs approximately RM2,000: an amount which she may be able to save up through careful planning.





Figure 5: Nadia tailoring a piece at home

Recommended Solutions

The solutions and strategies discussed below address these challenges and leverage opportunities presented by the current state of the apparel industry. Any growth recommendations for Sanam Sartorial must consider the additional and unique implementation challenges faced by refugees in Malaysia, which may include a lack of certain business skills or the absence of an adequate support system within the host market. As such, our recommendations include both interventions and efforts to improve self-reliance. Sanam Sartorial has two potential avenues for further growth: (1) by creating a demand for Afghani fashion among Malaysian communities through customer education; and (2) by addressing other operational challenges, including overcoming language barriers, bolstering production capacity and establishing an online storefront to meet potential supply.

Creating a demand for Afghani fashion among Malaysian communities through customer education

Overall, we outlined three broad steps for Nadia to create demand for her products, as described below.



Step 1: Developing a Brand Identity

With Nadia's rich cultural heritage, a possible brand identity includes emphasising the cultural significance of not just her design work and craftsmanship, but also her personal story as a refugee entrepreneur. By emphasising these unique features, Sanam Sartorial can attract customers looking for unique statements in their purchases and may even wield pricing power based on perceived value—rather than competing based on price alone.

To begin, we suggested that she develops a polished logo and business profile. These serve as a universal anchor which can allow Nadia the opportunity to converse with customers and potential partners alike. Using similar heritage brands as examples, we discussed how Sanam Sartorial's Afghani roots and West Asian influences could be best depicted in a contemporary style, thus appealing to a wide range of audiences. But without support staff, it is impossible for Nadia to generate such branded content by herself. Here, it may be ethically acceptable to use AI tools as an enabler. We taught her to use free generative artificial intelligence (AI) tools like ChatGPT as well as online design tools (specifically Canva) to generate content on her own.



SANAM SARTORIAL

Figure 6: A sample logo designed using Canva

Besides this sample business logo, we generated a business profile using free AI tools to suggest possible narrative routes for her business.

Business Name: Sanam Sartorial

Industry: Heritage Fashion and Apparel

Location: KL, Malaysia

About Us: At Sanam Sartorial, we embody the essence of West Asian heritage in fashion. Our founder, Nadia, brings forth over two decades of tailoring mastery, infusing each stitch with the richness of Afghan traditions and West Asian grace. Nestled in our home studio in Ampang, Malaysia, we serve a global clientele through our esteemed online platforms.

Products: Explore our curated collection of bespoke West Asian attire, meticulously fashioned to honor and encapsulate the vibrant cultural tapestry. From traditional silhouettes to contemporary renditions, every garment symbolizes our unwavering commitment to fulfilling the discerning tastes of our patrons. Embrace our bespoke service, where your design dreams metamorphose into bespoke reality.

Step 2: Starting her Heritage Storytelling Journey



Product Details

Reminiscent of contemporary femininity, the Avery floor-length dress portrays the bespoke LDG look. With a cotton/silk composition, the dress sculpts over the bust and waist, falling effortlessly into a sweeping hemline. A beautiful broderie anglaise lace frames the waist, arms and hemline, while a low-V neckline falls into a front button and loop opening feature. A partial lining draws attention to sheer panels adding allure to the elegant look.

Fabric Content | Lining: 100% Cotton | Outer: 70% Cotton 30% Silk

Figure 7: Examples of online and offline touchpoints

Product stories are paramount for any heritage brand, being the primary drivers of individual sales conversions. As such, we recommended that Nadia name her products and craft short product stories to accompany all her pieces. Once she gets practice crafting these product stories, she can then feature them on offline touchpoints (e.g., handwritten notes) or online ones (e.g., captions on social media posts). The same AI tools that we used to craft the business profile above can be used to semi-automate this task. We showed the Nadia the sample below as an example.

Kandahar Blossoms (Kameez)

The Kandahar Blossom Kamiz embodies the spirit of Afghan art and heritage. It's a wearable masterpiece that celebrates the heritage of a land known for its art, poetry, and mesmerizing cultural expressions.

Wear it proudly, and in doing so, become a part of a narrative that bridges cultures and celebrates the magnificence of Afghan art.

Step 3: Maximising Market Visibility

We explained the urgency of chasing placement opportunities if Sanam Sartorial is to break into the host market. Specifically, Nadia needs to gain access to the many refugee markets and fairs hosted at different venues in Kuala Lumpur. These events are a great opportunity for Sanam Sartorial to showcase its products to young Malaysian women who are open to exploring other cultures. Furthermore, such spaces are likely to be more supportive of fellow refugee entrepreneurs. To start Nadia off on this journey, we shared resources and links to refugee support platforms such as the Asia School of Business's "Tiny Titans of Southeast Asia". Such partnerships may be make-or-break opportunities for SMEs such as Sanam Sartorial by giving them much-needed visibility.



Riuh Raya event, Sentul Depot in Kuala Lumpur

Figure 8: An example of a possible event: the Riuh Raya event at Sentul Depot in Kuala Lumpur

Addressing Other Operational Challenges

Language remains a primary bottleneck to Nadia's business growth. As an immediate fix, we urged Nadia to proactively use Google Translate for online communication. In the long term, we discussed the possibility of using free platforms such as Duolingo to increase her proficiency in English. We also explained the long-term opportunity loss if she keeps renting Pico services from other tailoring businesses and suggested a savings plan for her. If she sets aside 20% of her profits for six months, she can accumulate the financial capital needed to buy her own Pico machine. This is an immediate and impactful intervention which directly contributes to her profit margins per product. Lastly, we discussed the possibility of setting up a well-structured online storefront as an early alternative to a physical shop. Although this is an advanced undertaking, given her language barriers and a lack of online shopping know-how, we have provided her with a preliminary understanding of the different market segments available on various social media platforms. We hope this step equips her to start learning more about effective online business in Malaysia.

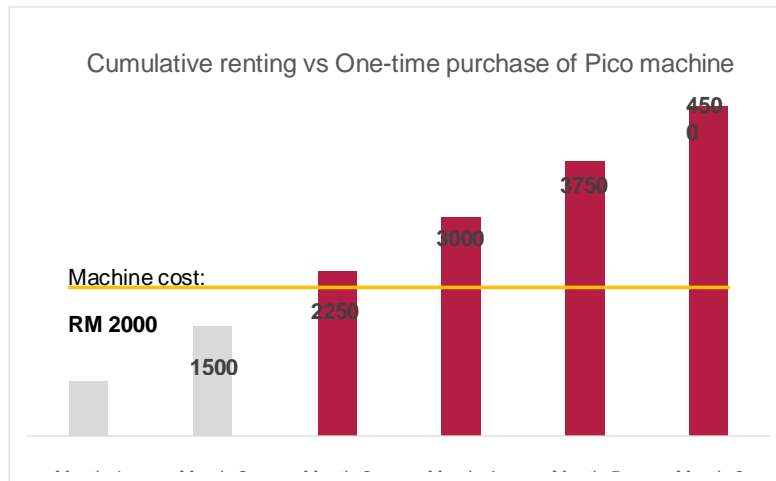


Figure 9: Cumulative costs of renting versus directly purchasing a Pico machine

Conclusion: Lessons Learned

Sanam Sartorial's situation encapsulates the unique challenges encountered by refugee entrepreneurs in a foreign market. Our case study highlights the compromises that these entrepreneurs must navigate to thrive, even if just as informal businesses. In the face of financial and legal exclusion, cultural dissonance and systematic resource constraints, Nadia's resilience and adaptability have been key to the survival and growth of her business, thus demonstrating the importance of these traits for entrepreneurial success. A key emergent lesson is the real potential of using one's refugee heritage as a successful USP in host markets. Nadia's innate business acumen is clear from how she has found a niche by effectively exporting Afghan culture to Malaysia.

While this phenomenon best applies to artisan-based industries such as fashion, we believe that the general principles outlined above can, and must even, be generalised across different cases of refugee entrepreneurship. Displaced individuals face harsher constraints than average entrepreneurs and they need to leverage every advantage that they have. (For refugees, this is often just their cultural inheritance.) In closing, we were personally inspired by Nadia's resolute optimism in the face of apparently insurmountable odds. Her ambitions extend beyond business: she is determined to secure a better future for her children by emphasising their education. She hopes that her children can study in international schools, a goal which fuels her dream of further growing Sanam Sartorial. Nadia's case is a testament to the potential of refugee entrepreneurship and an example for similar aspirants across Southeast Asia.

References

Porter, M. E. (1980). *Competitive Strategy*. [Free Press](#).

Appendix: Project Description

Business Information	<p>Name: Sanam Sartorial</p> <p>Owner: Nadia Sanam</p> <p>History: 1997–2016 (<i>Afghanistan</i>); 2017–present (<i>Malaysia</i>)</p> <p>Current Location: Ampang, Kuala Lumpur</p>
Product	<p>Kameez: A traditional Afghani dress consisting of a long tunic top and wide-waisted trousers</p> <p>Kurta: A loose collarless shirt or tunic made of cotton or silk</p> <p>Kochi: A traditional long dress designed in the Kochi (Pashtun) tradition</p> <p>Zardozi: Heavily embroidered Afghani dress-gowns for special occasions</p> <p>Others: On-demand pieces, often a fusion of traditional and contemporary styles</p> 
Target Consumers	<p>Primary: The owner's friends in Ampang (Female Afghani refugees)</p> <p>Secondary: The owner's friends who migrated to Australia (Female Afghani refugees) and other women among the Ampang community (Irani and Pakistani women)</p>
Performance	<p>Sales: 25–35 pieces / month</p> <p>Selling Price: RM 500–2,000 / piece</p> <p>Margin: RM 50–300 / piece (tailoring fee)</p> <p>Monthly Profits: RM1,500–3,000 / month</p>
Promotion	<p>Primary: Word-of-mouth among immediate friends in Ampang (whether in-person or via WhatsApp)</p> <p>Secondary: Instagram and TikTok (weak conversion rates)</p>
Fixed Assets	<p>Available: Stitching machine (1) and zig-zag machine (1)</p> <p>Missing: Pico machine (lacks capital for purchase)</p>
Staff	<p>Current: No full- or part-time staff. Her husband and sons often procure raw materials on her behalf from the open market.</p> <p>Planned: To hire four additional staff to increase production capacity. This planned expansion lacks an accompanying customer acquisition and growth plan.</p>
Inputs	<p>Raw Materials: Fabric, buttons, zari, lace, frills and other accessories. Costs depend on design needs and are borne fully by customer.</p> <p>Time: One day for simple designs; two days for intricate designs</p>

Process	<ol style="list-style-type: none"> 1. The customer shares references (other designs) and finalises the design with Nadia. 2. Nadia takes body measurements in-person at her home or receives them via WhatsApp (<i>for remote customers</i>). 3. Nadia and her customer buy the fabric and accessories together (<i>for remote customers, she communicates with customers through video calls</i>). 4. Nadia stitches the piece within two days and shares images with her customer. 5. She finalises the dress based on her customer's feedback. 6. Customers pick up the dress from Nadia's home in-person or receives it by post.
Payment Policy	<p>Materials: Customers pay up-front (in-person) or on credit until a piece's completion (remote)</p> <p>Stitching: Customers pay after delivery (in-person / informal remittances)</p> <p>Delivery charges (If applicable): Customers pay after delivery (informal remittances)</p> <p>Discounts: Nadia provides discounts to repeat customers & close friends (RM 50–100 off her tailoring fee)</p>
License	As a refugee, Nadia is not eligible for a license. Therefore, she does not formally possess one.

