

**COMPETITIVE FACTORS INFLUENCING SALES
OF TRACTORS MALAYSIA IN HEAVY
CONSTRUCTION INDUSTRIES**

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ABSTRACT

Organizations today believe that gaining competitive advantage is a strategy for the company to boost their sales performance. Sales are vital for many industries as it like a backbone of the company. As companies are reaching to a higher level in obtaining and producing more sales there will be more competitors exist to challenge the company sales performance. There will be more competitors entered in the same industries. Based on that reasons, this research has been conducted with purpose to examine the relationship between competitive factors and the sales. Competitive factors is the main topic of this study because it is the crucial factors needed to be considered as it will lead to competitive advantage to a company. The selected company for this study is Tractors Malaysia because it was well established heavy construction equipment manufacturer and can be a good example for this research. This study focuses on heavy construction equipment industries.

For the purpose of conducting this study, descriptive research was used. All the data collected is taken from secondary data which was from Tractors Malaysia itself. The data were for five years, from year 2001 to 2005. The data has been interpreted and analyze by using Statistical Package for Social Science. From the findings and analysis the result has shown that three of the competitive factors; parts availability, outsourcing and customer financing have strong or positive relationship with sales. In contrast, pricing has a negative relationship with sales. Hopefully, from the findings of this research can give some benefits to the company and the government as with this research; they can make some improvement to increase their sales.

CHAPTER 1

INTRODUCTION

1.1 Background of the Study

Tractors Malaysia Holdings Berhad was established on July 15, 1968, by Sime Darby. It is a public listed company involved in the export, assembly and distribution of world-renowned brands of heavy equipment and motor vehicles. This heavy equipment company carries out the sales, rental, distribution and support of Caterpillar heavy equipment, New Holland agricultural machinery and other related brands such as Kawasaki and Sakai. Among the Caterpillar products assembled by Tractors Malaysia are excavators, backhoe loader, track type tractors and off highway trucks. Its business operations cover equipment financing, manufacturing and other services. The company's leadership has a highly focused, customer-oriented tradition of delivering quality products and providing total after sales support. It is one of the manufacturers and assembly of Caterpillar heavy equipment that is responsible for the sale in South East Asian region. Apart from that, it is a well-known heavy equipment manufacturer in Malaysia and most of its equipments are used in big projects such as the Kuala Lumpur International Airport and Bakun Dam.

Sales is vital for many industries as companies are reaching to a higher level in obtaining and producing more sales compared to their previous ones. The performance of sales in a company can be determined by gaining a competitive advantage over their competitors. Sales services of Tractors Malaysia operate internationally and domestically and it has branches located at each state in the country whereby dealers of each branch are responsible