

### **FUNDAMENTALS OF ENTREPRENEURSHIP (ENT 300)**

**CASE STUDY** 

TYPE OF BUSINESS: APPARELS BUSINESS

PREPARED BY

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#### **CASE STUDY OVERVIEW**

Lea Sport Centre, is formed by the Lea Group of Companies since 22 April 1994. The retail store is focusing on selling high-performance sportswear products such as Adidas brand, Nike brand, and Puma brand, which is widely known globally. One of the Lea Sport Centre stores is located at The Summer Shopping Mall – Kota Samarahan. We have made an interview with the store's supervisor. During the interview, we were talking about the background company that has succeed in business that was incorporated since 1994 until now. As the interview gone by, the supervisor applied a lot of knowledge in term of business especially when it involves with sports products. The ideas the company obtained literally from the current world sport situation, where young generations mostly show they interest in sports.

Based on answered given by the store's supervisor throughout the interview we have made, human relation theory is most important role in their business management. Human relation theory refers as an approach to management based on the ideas that employees are motivated not only by financial reward but also by a range of social factors. For example, the employees are required to understand the needs of customer when they are searching for a suitable product depending on their demands. This theory playing an important role because the quality of workplace relations is critical to employee retention. Employee retention may seem trivial especially in a workplace that is used to a high turnover but managers must remember that turnover is financially very costly. Every new employee requires a substantial investment of time and energy in their recruitment and training. In addition, severing ties with old employees can sometimes be challenging, especially if the circumstances are not particularly amicable. Making sure quality employees remain interested and engaged in the business requires patience, compassion and flexibility, but can actually make the business more financially sound.

Moreover, workplace relationships provide a source of employee motivation, which is important to maintaining productivity. Employees who are interested in their work and in the well-being of other employees tend to be more productive than

#### **EXECUTIVE SUMMARY**

Sports marketing is a subdivision of marketing which focuses both on the promotion of sports events and teams as well as the promotion of other products and services through sporting events and sports teams. It is a service in which the element promoted can be a physical product or a brand name. Lea Group of Companies has started sportswear retail store business by naming it as Lea Sport Centre. It was incorporated on 22 April 1994. It comprises of 15 retail outlets in Kuching, Bintulu, Sibu, Miri, Kota Kinabalu, and Kuala Lumpur. The retail outlets are operating fashion or sport apparel, footwear product development, marketing, manufacturing and distribution. Through product development, marketing and distribution, Lea Group of Companies is dedicated to offer products of only the highest quality and value. Their goal is to earn the respect, confidence and loyalty of their customers by exceeding their expectations in every area of customer service. The main problem faced by the store is a competitive environment, where the company has to figure out some solutions to solve it. A competitive environment is the dynamic external system in which a business competes and functions. The more sellers of a similar products, the more competitive the environment in which they are competing. The target market for the company is an active people who involves in any either outdoor or indoor activities which required suitable sport apparel. And also, for those who are interested in sport fashion lifestyle, people who attracted to the trending fashion of sport apparels. The purpose of this business is mainly focus on young adult who mostly interest in sports. Therefore, by operating sportswear product, the chances to gain high profit is possible within a year. Moreover, in Sarawak, sportswear retail shop is hard to find although the level of competitive in particular location is quite high. With the help of SWOT analysis, the company is able to determine their weaknesses and improve their management and marketing from time to time. Lastly, the achievement of the store, also known as "Sale Target" is easily to be achieved depends on the employee performance and productivity during operating hours where the employee is using their important method to attract customer to but their sales products.

#### **COMPANY INFORMATION**

## **Background**

Dealing in a wide range of the fine LEATHER footwear, the company's name "LEA" was derived. The group's business has today become the hallmark of the store retailing industry throughout Malaysia

It is distinctively recognized for being the premier and largest shoe retail company in Malaysia. LEA CENTRE first began as a family business which started its operations on 17 May 1984 with its head office at 4th Floor, Wisma Hopoh Shopping Complex, Jalan P. Ramlee, Kuching, Sarawak.

From its humble beginning of having only one retail outlet on the 3rd floor of Wisma Hopoh Shopping Complex measuring 672sq ft. in 1984, the company has steadily grown over the years and today became the largest retail-based business group in Sarawak. Having started with a meagre workforce of less than five employees, the company has grown from strength to strength and currently has more than 700 employees throughout Malaysia. With retail outlets located in all the major shopping complexes. Lea Centre's products grew, so did our market opportunities.

For several years, in addition to the mainstream of shoe retailing, Lea Group of Companies has successfully marketed exclusive and innovative products to Sibu, Bintulu, Miri, Kota Kinabalu, and elsewhere in West Malaysia.

In fact, our most recent line of innovative products has introduced us to virtually every resale market from the most specialized to mass merchandising, including renowned department stores and dealers throughout East Malaysia, Brunei and West Malaysia who share our beliefs and practices, growing and expanding together on the 21st century.