



**FACULTY OF BUSINESS AND MANAGEMENT
MARA INSTITUTE OF TECHNOLOGY
TERENGGANU BRANCH**

**THE RELATIONSHIP BETWEEN PRODUCT OFFERING AND
CUSTOMER SERVICE IN DETERMINING CUSTOMER DEMAND AT
PESAMA TIMBER CORPORATION SDN. BERHAD**

PREPARED FOR

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APRIL 1999

LETTER OF TRANSMITTAL

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APRIL 3, 1999

Faculty of Business and Management
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Dear Sir,

THE SUBMISSION OF MARKETING INTERNSHIP PROJECT PAPER

Refer to the above matter, I'm hereby submitting to you a marketing internship project paper entitled "The relationship between product offering and customer service in determining customer demand at Pesama Timber Corporation Sdn. Berhad".

Marketing Internship has been successfully done within 12 weeks starting from 15 December 1998 to 15 March 1999.

I do hope this project paper will meet your specification as well as BBA (Hons) Marketing Program requirement.

Thank you for the encouragement, valuable guidance, comments and views in completing this project paper.

Yours Sincerely,



NORAIDA YAHYA

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Wassalam

ABSTRACT

Nowadays, forestry sector is the important contributor to the country development. This is true as it provides job opportunities to the society and assists in the development of wood products industry. Facing a market crowded with basically undifferentiated product and services increasingly cluttered with promotion noise. Therefore, the quality of the product offering and the service provided is a major element to attract the customer and influence them to purchase the company's product. In order to determine how far the product offering and customer service influence customer demand, the research is conducted. This research only directed to local customer of Pesama Timber Corporation Sdn. Bhd (PTCSB). In this research, researcher used secondary and primary data to gather information. Secondary data used as reference books, journal, magazine and Internet. Meanwhile primary data includes observation and survey. Here, 30 respondents were selected and a series of questionnaires are distributed to them. It represents 66.66 percent of the PTCSB local customer. The data from the research is analyzed through statistical techniques called Chi-square and Cross Tabulation. As an analysis has been made, both of null hypothesis (H_0) should be rejected. Therefore, it can be concluded that the product and service offered by PTCSB is significant to customer demand. Customers are influence to purchase the product for several reasons includes product performance, product quality and desirability. Other reasons are fashion, reputation of supplier, good customer service and good after sales service. From the research, 70percent (21 respondents) of the total respondents stated that their purchasing decision is solely influence by product itself. Meanwhile 16.7 percent (5 respondents) out of total respondents were influenced by services. The rest is influenced by the price of the product. At the end of the research, recommendation is made to PTCSB. It includes increase supplier-buyer relationship, increase number of marketing personal, apply Frequency Marketing Program (FMP), implement FIFO method and conduct internal customer survey.

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