

*MARKETABILITY STUDY  
OF  
SECOND GENERATION  
CORDLESS TELEPHONE OR  
SMARTFON IN KLANG VALLEY*

*SHUIB BAKAR*

*ADVANCED DIPLOMA IN BUSINESS STUDIES  
(MARKETING)*

*SCHOOL OF BUSINESS AND MANAGEMENT  
MARA INSTITUTE OF TECHNOLOGY  
SHAH ALAM SELANGOR D.E*

*NOVEMBER 1993*

## ACKNOWLEDGEMENT

The preparation of this project paper has taken an amount of time and involvement from many people from various departments and divisions. Without the cooperation and help from them, I would not have been able to complete this project paper. Your contribution were greatly appreciated.

I would like to take this opportunity to extend my utmost gratitude to my advisor, *Puan Rosidah Musa* for her invaluable advice, assistance and guidance.

I also would like to convey my special thanks to *En. Annan Ramli* and all staffs of Telekom Malaysia Service Division for their generous supply of relevant documents and material needed.

My special thanks also goes to *Allen Ciko* and *Rosti MdSalleh* for their comments and help.

Last but not least, I am grateful to my wife *Puan Shariah Shaarin* for being patient with me during the preparation of this report.

THANK YOU

*SHUIB BAKAR*

## TABLE OF CONTENTS

|                            |           |
|----------------------------|-----------|
| Acknowledgement            | ;         |
| Table of contents          | <i>ii</i> |
| Executive summary          | v         |
| List of tables and figures | <i>vi</i> |

### PART I

#### **1.0 INFORMATION ON TELEKOM MALAYSIA**

|                            |   |
|----------------------------|---|
| 1.1 Historical perspective | 1 |
| 1.2 Company's activities   | 2 |
| 1.3 Competition            | 3 |

### PART II

#### **2.0 MOBILE SERVICES DIVISION**

|                                |   |
|--------------------------------|---|
| 2.1 Division overview          | 4 |
| 2.2 Business operation section | 4 |

### PART III

#### **3.0 SMARTFON SERVICE**

|                                  |   |
|----------------------------------|---|
| 3.1 General view                 | 6 |
| 3.2 Cordless and CT-2 technology | 6 |

#### **4.0 OVERALL CONCEPT OF CT-2**

|   |    |
|---|----|
| 4.1 System network                            | 9  |
| 4.1.1 Base station                            | 10 |
| 4.1.2 Public switch telephone network (PSTN)  | 12 |
| 4.1.3 Telepoint network control centre (TNCC) | 12 |
| 4.1.4 Smartfon handset                        | 13 |
| 4.1.5 Smartfon zone                           | 14 |

|       |                                |    |
|-------|--------------------------------|----|
| 4.2   | System operation               | 15 |
| 4.3   | Product development            |    |
| 4.3.1 | Smartfon messaging             | 15 |
| 4.3.2 | Intergrated Smartfon and Pager | 16 |
| 4.3.3 | Smartfon local radio loop      | 17 |

## **PART IV**

### **0 CURRENT SITUATION**

|       |                                 |    |
|-------|---------------------------------|----|
| 5.1   | Product situation               | 18 |
| 5.2   | Price situation                 | 20 |
| 5.3   | Distribution                    | 21 |
| 5.4   | Promotional                     | 22 |
| 5.5   | Competitive situation           | 24 |
| 5.5.1 | Automatic telephone using radio | 25 |
| 5.5.2 | Automatic radio telephone       | 26 |

### **0 SMARTFON EXISTING MARKET 27**

## IWttTV

### **0 SMARTFON MARKET POTENTIAL**

|       |               |    |
|-------|---------------|----|
| 7.1   | SWOT analysis | 32 |
| 7.1.1 | Strength      | 32 |
| 7.1.2 | Weaknesses    | 34 |
| 7.1.3 | Opportunity   | 35 |
| 7.1.4 | Threat        | 35 |

### **0 FINDING 37**

## EXECUTIVE SUMMARY

This is a marketability study of 2nd generation cordless telephone or Smartfon in Klang Valley. The selection of the area as regional segmentation due to its expected potential demand for the service.

The objectives of the study are to evaluate users acceptance and perception toward the service. Another objective is to study and analyze market potential for the service, particularly the major city and towns in Klang Valley : Kuala Lumpur o Petalingjaya Shah alam Klang Town.A studied had been earned out through personal interviews and market survey of the Smartfon users as well as non-user respondents.

Data was collected through interviews conducted with Telekom Malaysia staffs involved to the service. The secondary data also gathered from various Telekom Malaysia internal publications and from Magazine, news paper and other relevant printed materials.

The current market situation analysis had been done in marketing Mix's (Product, Price, Promotion and Distribution) perspectives. While potential market, through SWOT analysis and market finding analysis. Recomendations are established to improve the service based on the outcome had been discovered.