

A STUDY ON MARKETING STRATEGY OF SABAH FOREST INDUSTRIES SON BHD'S PAPER PRODUCT (SFI PAPER)

DANNY BIN BURYA 2008101881

BACKELOR OF BUSINESS ADMINISTRATION
(MONS) MARKETING
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITY TECHNOLOGY MARA
NOTA KINABALU

NOVEMBER 2010

ACKNOWLEDGEMENT

First of all, my gratitude to God for giving me the strength and ability to cope up with all that is entailed in the preparation of this study project till completion.

Thereby I would like to record my appreciation to the all respondents in Kota Kinabalu area for their willingness to assist and contribute throughout the study. I am sure I must have tested their patience in answering the questionnaire forms.

I would also like to thank to the staff SFI's Marketing Department for their kind assistance in sourcing any required reference materials that I needed in the course of my study.

My gratitude also goes to my advisor for this project, Mr. Ag Bakar Ag Tatam for his kind assistance and guidance in completing this project. Not forgetting also to Madam Habibun Nisa Mohamed Ajmal and staff of InED UiTM Sabah, a very big thank you.

To my family, friend and colleagues, thank you for your all full support, encouragement and understanding during my study.

Thank you all.

TABLE OF CONTENTS

		PAGE
ACKNOWLEI TABLE OF CO LIST OF TAB LIST OF CHA LIST OF FIGU ABSTRACT	ONTENTS LES RTS	iv v vi - vii viii - ix x xi
CHAPTERS		
1. INTRO	DDUCTION	
1.2 Pro 1.3 Ob 1.4 Sig 1.5 Hy 1.6 Lii 1.7 De	ckground oblem statement ojectives gnificance of Study ypothesis mitations efinitions of Terms e Cost of the Project and a Time Schedule	1 - 5 6 - 7 8 9 10 11 12 13
2. LITER	ATURE REVIEW	14 - 17
3.1 Da 3.2 Sar	ARCH METHODOLOGY ta collection mpling ta analysis	18 -20 20 21
4. FINDI 4.1 Fir 4.2 An		22 - 57 58 - 59
5. CONC	CLUSIONS	60 - 61
6. RECC	OMMENDATIONS	62-63
BIBLIOGRAPHY		64
APPENDICES		65 -76

LIST OF TABLES

	PAGE
Table 1: Company/Business Type	22
Table 2: Respondent's position within the Company/Business	23
Table 3: Year in operation	24
Table 4: Purchasing of SFI Paper	25
Table 5: Amount of Paper reams ordered per purchase	26
Table 6: The most priority feature in selecting of SFI Paper	27
Table 7: The most important feature for the SFI in developing	
the product strategy	28
Table 8: The problem with SFI Paper	29
Table 9: SFI Paper's price	30
Table 10: The distribution channels	31
Table 11: The order was delivered on time	32
Table 12: Meet to customer's requirement	33
Table 13: Free from defect / paper problem	34
Table 14: Durability	35
Table 15: Able to perform its function	36
Table 16: Product	37
Table 17: Price	38
Table 18: Promotion	39
Table 19: Place	40
Table 20: Segmentation	41
Table 21: Targeting	42
Table 22: Positioning	43
Table 23: Quantity discount	45
Table 24: Seasonal discount	46
Table 25: Trade discount	47
Table 26: Price offs	48
Table 27: Bonus packs	49
Table 28: Refund and rebates	50
Table 29: Premiums	51

ABSTRACT

This study tries to investigate SFI's marketing strategy in market. This study focuses on retailer and wholesaler which located in Kota Kinabalu area. This study also tries to investigate what type of marketing mix is the most preferred and what are the steps to be taken in order to increase SFI paper market. The objective of this study is to find SFI's marketing strategy and recommend the solutions to the management. Primary data were the main instrument used to collect data in conducting this research. From the total population, the research had managed to collect about 80 percent as the sample. The response was quite good. For this reason it is expected to indicate in how SFI's marketing strategy improves. A simple frequency analysis was used to analyze those data in order to answer the objectives. It can be said that mostly retailer and wholesaler in Kota Kinabalu area prefer paper with good quality. In term of pricing the customer mostly prefer if SFI able to lower down than competitor. In term of distribution the customer prefer to purchase directly from SFI. This is because according to them cost is the main factor that influence their distribution decision. In term of promotion customer mostly prefer sales promotion in reachable point. There were six variables that research had focused on. This is because those variables are considered as the most important variables used to develop a design, product packaging and product services and warranty. Among the six variables, it was found that quality is considered as the most important factor in developing product strategy. To be more competitive it was recommended that SFI review marketing strategy from time to time. It is also recommended that SFI find out other type of product to multiple their business activities.