

Universiti Teknologi MARA

**Enhancing the Ports Capacity Through
Marketing & Promotion by Port Authority:
A Case Study of Johor Port Authority (JPA)**

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PREFACE

In our quest to make Malaysian ports more competitive towards meeting future challenges and anticipated changes, we cannot depend on port-related parameters such as infrastructure and tariffs alone. In a dynamic world in constant flux and changes, competition come and go, increases and decreases, stays put and shifts, as do the forces that shape, determine and characterize competition. Port competition is certainly an area which is subject to this challenging and volatile dynamics, and is at the whims of ever-changing parameters and influences.

To achieve port competitiveness, a thorough understanding of the forces that mold and influence it is essential. The right questions must be asked to obtain the right answers, and a well-defined framework must be drawn to put the issue into perspective. Competitive ports should aim to generate added values that are proportionate to its marketing and promotion efforts, capital investment, management efficiency, technical capacity and core competencies, and to sustain and enhance those values. This would allow a port to compete effectively on the basis of leveraging its known strengths, correcting its weaknesses, and converting its threats – perceived or real - into opportunities. Port Authorities should be playing a proactive role of marketing and promoting the seaports under its control instead of only playing the role of a regulator.

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ABSTRACT

Ports play a vital role in logistics as the intersections of transport. They play a wide variety of important roles, operating at multiple dimensions. Not only do they serve the practical role of handling cargo and passengers; they are the link between a country and the rest of the world. This implies modern ports are highly sophisticated corporations offering a wide array of services to many customers.

Ports earn their money from a variety of ways, but the most common source is user fees. An airport receives landing fees from every plane that lands. Ocean ports receive money from every ship that comes to its dock. There are also a wide variety of other user fees. Virtually everything that happens at a port is charged in some way. The basic considerations of a liner choosing a port are the quality of service, costs, nature of tariffs, the adequacy of port facilities and the overall efficiency of the port, together with industrial relation practices.

This paper will discuss on how the Johor Port Authority (JPA) can play an active role in promoting and marketing the two ports under their control, namely Johor Port Berhad (JPB) and Port of Tanjung Pelepas (PTP). More liners call at these two ports will increase containerized cargo capacity in TEUs (twenty-foot equivalent units – the measure of containerized cargo), increase throughput and simultaneously will earn more revenue for the JPA.

The appropriate theories and field surveys will be used. The questionnaires are to get the employees and port users (customers) view on the 3 dimensions of port of choice determinants, which are efficiency, shipping frequency and adequate infrastructure. (Tongzon 2002). This study will make recommendations on how the JPA's role can be enhanced in order to strengthen the ports (JPB and PTP) competitiveness globally.