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**A STUDY ON CUSTOMERS' SATISFACTION ON  
PETRONAS GAS CYLINDER AS MARKETED BY  
PETRONAS DAGANGAN BHD IN BINTULU**

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## **EXECUTIVE SUMMARY**

Petronas Dagangan Bhd (PDB) is the principal domestic marketing arm of Petronas, the national company, which hold 69.89% of its equity. Its sales of petroleum product are confined to Malaysia market only and overall market are presently is about 33%: 36% for the LPG.

Marketing of Petronas gas cylinder in Bintulu, Sarawak goes back to late 70's. It was actively involved marketing it cylinder in rural areas, Shell and Esso dominance was challenged which lead to stiff competition among the marketing outfit. Hence, PDB has endeavored to provide premium services to its customers at the most cost effective in order to improve the image and sales of its products. With the listing of PDB in the Kuala Lumpur stock exchange in the 1994, the role played by PDB changed from that of a follower to that of a leader.

Based on the study, customers are satisfied with the price; quality, location and distribution channel and these are the main factors for them to purchase the Petronas gas cylinder. Customers' decision to purchase is not affected by the reliability of product delivery and staff technical support.

Through the study, its comes out with the recommendations that PDB have to review the price, emphasize on the quality of product content, to standardize their distribution and promotion strategies in order to winning the market competition.

# CHAPTER 1

## INTRODUCTION

### 1.0 Introduction

Petronas Dagangan Bhd (PDB) is the principal domestic marketing arm of Petronas, the national oil company, which hold 69.89% of its equity. PDB markets a wide range of high-quality petroleum products including motor gasoline, liquefied Petroleum Gas (LPG), aviation fuel, kerosene, diesel, fuel oil, lubricants and asphalt.

PDB's sales of petroleum products are confined to the Malaysian market only. Its overall market share presently is about 33%, and for key petroleum products, the market share is as follows: LPG - 36%, Jet Fuel - 59%, Diesel - 34%, Mogas - 23% and lubricants - 8%. PDB markets its products directly to customers as well as through its network of over 575 service station, 481 LPG dealers and 201 industrial dealers. Its marketing activities are well support by a comprehensive logistics and distribution system consisting of seven bunkering facilities and seven LPG bottling plants, strategically located to ensure a reliable supply of products. Source - <http://www.klse.com.my/website/listing/lc/pdb.htm> - November 11, 2003. In Bintulu, PDB operates a large network of LPG and industrial gas dealership as well as an integrated logistics and distribution system comprising bulk and aviation depots, bunkering facilities and LPG bottling plant.

## CHAPTER 2

### LITERATURE REVIEW

#### 2.0 Literature Review

With the advent of information, communication and technology (ICT), service industry form the integral part of the economy. As mentioned earlier in the problem statement, organizations that are both 'customer focused' and 'market led' will succeed in this challenging environment. 'Customer focused' organizations achieve excellence in understanding and responding to the needs of existing customers thus generating maximum customer satisfaction. If a service organization is to survive and prosper, it must deliver a satisfactory outcome that is cost-effective to its customers. This involves having customer to define what the desired outcome is.

#### 2.1 Price

Kotler, Philip and Armstrong, Gary, Principles of Marketing (1996) defined price as "the amount of money charged for a product or service, or sum of the values that the consumers exchange for the benefits of having or using the product or service".