



UNIVERSITI TEKNOLOGI MARA

**A STUDY OF WEB-BRANDING PRACTICES AMONG
SMALL-MEDIUM ENTERPRISES (SME) IN KUCHING**

**THEREASA ROSE KEITH
2003110890**

**BACHELOR OF BUSINESS ADMINISTRATION
(HONS) (MARKETING)
FACULTY OF BUSINESS AND MANAGEMENT
MARA UNIVERSITY OF TECHNOLOGY
SARAWAK**

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ABSTRACT

Malaysia is an international brand that must continue to be nurtured and actively developed. Branding is particularly important for small medium industries as it serves as a central nexus of communication between an enterprise and its customers where it helps to convey the message of their product attributes to their clients. For that reason, SME must do more than just making good products in order to remain competitive and to consistently punching above its weights.

Kuching is one of the fastest growing businesses and administrative centers that has initiated and implemented a series of national plans and activities to promote the diffusion of e-commerce in both public and private sectors. Although still at its starting stages, internet is one of the growth areas for information and communication technologies in the district.

The brand management has been exposed to various changes and challenges with the introduction and diffusion of internet into the business arena. Although internet has powerful advantages which can be exploited to amplify the offline marketing tool to make brand-building program more effective, most of the local SME entrepreneurs still have very limited use of this medium. Thus this study tries to assess our local SME's degree of practice on their web site in promoting and building their web brands. Several recommendations have been put forward based on the finding so as to enhance their level of practice to achieve their branding objectives.

The web is a wonderful place for brands that can deliver genuine value and ways to get maximum exposure of company's websites presence. With web sites it helps people to find things they need quickly. The web challenges the brand to do something useful. The brand cannot hide behind clever, gimmicky marketing. **It has to stand up and be delivered.** Besides, the web has an advantage of interactivity that gives visitor a holistic experience of your brand and visitors dig deeper to thoroughly understand your product at his or her expense. **Quality, usefulness, speed, convenience – these are the attributes consumers' demand of web brands.**

1. INTRODUCTION

1.1. Background of the study

This study is the partial requirements of Bachelor in Business Administration (Hons) Marketing and therefore this study is merely for academic purpose. The study is based on the journal "Web-branding at Vietnamese Manufacturing Enterprises" by Luc Thi Thu. Huong but it is adopted in a local scenario that attempts to focus on the Small Medium Industrial Entrepreneurs in the city of Kuching Sarawak only.

A descriptive research approach is used to study on "Web-branding practices among Local Small Medium Entrepreneurs". The objective of this research is to analyze the factors influencing local SME entrepreneurs' degree of practice in their objective to building their brands and companies recognition through web site branding.

1.1.1 Present Scenario of SMI Development in Sarawak

¹According to the census conducted by the Department of Statistics in 2001, SME constituted 88.7% out of 1782 manufacturing establishment in Sarawak. Despite their numerical pre-pondenance, SME accounted for only 10.2% of a total manufacturing output, 6.3% of the total manufacturing value added (MVA) of the RM 2540 million and employed 19,000 (25%) of the total workforce of enterprises under survey. In terms of capital investment on fixed assets, SME invested RM12,467 million that is 7.3% of the industry's total. During the period 1991-2001 the total number of SME grew at a rate of 2.4%.

¹ Department of Statistics 2001 *Small Reports*