

THE COMPETITIVENESS OF PRICE BIDDING STRATEGY ON
GETTING GOVERNMENT TENDER IN INFORMATION
TECHNOLOGY INDUSTRY AT KUALA LUMPUR AND SELANGOR

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Deru Global Sdn. Bhd. (DGSB) is a company that is involved in supplying IT equipment to the government agencies all around Malaysia by proposing the product in the open bid. In the marketing aspect it is called sealed bid pricing. The company needs to set up carefully the bidding strategy to be competitive so that they can compete with others bidders. There must be internal and external factors that may influence the bidding strategy so that the company may be awarded the tender.

The research attempts to study the competitiveness of the bidding strategy on getting the government tender in the Information Technology industry. The specific objectives of the study are to identify the factors that

could lead to the company's failure in getting the tender in the IT industry, to study the competitiveness of bidding strategies used between the companies in the IT industry and to suggest ways to be competitive in getting the government tender in IT industry. This research uses the survey method by distributing questionnaires to 56 respondents in order to get information. The study also uses secondary data to support the research assumption and judgement-sampling technique in order to select the respondents.

From the findings, it is indicated that not only the pricing factor but the company reputation, salesperson's attitudes, lobbying, teamwork, credibility of salespersons, job satisfaction, tender preparation and leadership factors could lead to company failure or success in getting the government tender. It can be concluded that there are several strategies used by companies to be competitive such as, do fieldwork before proposing the tender, maintaining the company reputation, manager's participation during the tender preparation and rewarding the salesperson monetarily to motivate and increase sales. The managers also perform their roles as trainers and communicators who provide the salespersons with a supportive climate, giving specific guidelines and setting a challenge of performance.

The researcher recommended to DGSB to benchmark with other successful companies in the business area and building a good relationship with the government agencies to be competitive in the government tender business.

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