



**UNIVERSITI TEKNOLOGI MARA
KAMPUS SAMARAHAN**

**“EXPLORING FACTORS INFLUENCING CONSUMERS IN
SELECTING MOBILE TELECOMMUNICATION SERVICE
PROVIDER”**

**WAN REZUAN BIN WAN MASHOR
2008278384**

**BACHELOR IN BUSINESS ADMINISTRATION
(HONS) (MARKETING)**

OCTOBER 2010

LETTER OF SUBMISSION

Wan Rezuan Bin Wan Mashor,
Lot 3737, Lrg 14, Jalan Kuching Timur 3,
Taman Tunku, 98000 Miri.

27 October 2010,

Madam Hazami Binti Kamarudin,
The Head of Program,
Bachelor in Business Administration (Hons) (Marketing),
Universiti Teknologi Mara, Sarawak.

Noraida Omar,
Advisor, Lecturer of UiTMCS,
Universiti Teknologi Mara, Sarawak.

Rudza Hanim,
Second Advisor, Lecturer of UiTMCS,
Universiti Teknologi Mara, Sarawak.

Dear Mr/Madam,

SUBMISSION OF PROJECT PAPER MKT 662

Attached is the project titled “**EXPLORING FACTORS INFLUENCING CONSUMERS IN SELECTING MOBILE TELECOMMUNICATION SERVICE PROVIDER**” to fulfill the requirement as needed by the Faculty of Business Management, University Teknologi Mara (UiTM).

Thank you.

Yours sincerely

.....
WAN REZUAN BIN WAN MASHOR

2008278384

Bachelor of Business Administration with Honors (Marketing)

ACKNOWLEDGEMENT

First, I want to give thanks to the ALLAH S.W.T for His blessing and consent. He has been my main source of strength spiritually, emotionally and physically especially during this semester in completed this research.

I would like to express my deepest appreciation to my advisor Madam Noraida Omar who has been a source of encouragement and inspiration and advice towards completion of this research. I also would like to take this opportunity to apologize for any inconveniences caused which been arise during completion of this study.

In addition, I would like to dedicated special thanks to my family especially my beloved parents for their continuous support and very understanding in time of difficulties throughout the whole work. I really appreciate for their financial support which is my sources of financial in order to finish this study.

Not forgotten, to my friends who give support in completion this research and also to all the respondents for their cooperation in completing the questionnaires. The information that they gave is the most important thing that I used in order to complete this research.

I also would like to thank everyone who were directly and indirectly involved in helping me in completing this study. May ALLAH S.W.T bless all of you and hopefully live happily in this world and hereafter. *Thank You...*

TABLE OF CONTENTS

CONTENTS	PAGE NUMBER
1. CHAPTER 1: INTRODUCTION	
1.1 Introduction of the study	1
1.2 Problem statement	2
1.3 Research objectives	3
1.4 Research questions	3
1.5 Scope of study	4
1.6 Significant of study	4
1.7 Definition of term	5
1.8 Limitations of study	7
2. CHAPTER 2: LITERATURE REVIEW	
2.0 Literature review	8
2.1 Theoretical framework	10
2.2 Hypotheses	11
3. CHAPTER 3: RESEARCH METHODOLOGY	
3.1 Research design	12
3.2 Sampling design	13
3.3 Instrumentation	14
3.4 Data preparation and analysis	17
4. CHAPTER 4: FINDINGS AND ANALYSIS	
4.1 Introduction	18
4.2 Respondent's demographics characteristics	18
4.3 Reliability analysis	25
4.4 Validity analysis	26
4.5 Cross tabulation analysis	27
4.6 Hypotheses test	31

CHAPTER 1

1.0 INTRODUCTION

1.1 INTRODUCTION OF THE STUDY

Telecommunication industry in Malaysia is the fast growing sector especially the mobile market. The development of this sector has become a catalyst for the growth of the nations' commercial and industrial sectors. Much of the nation economic development was contributed by telecommunication sector.

Reformation of the communication technology has been expanded since transformation of the traditional voice telecom network into an expanded and enhanced information infrastructure, which is capable of communicating all forms of information content (Melody, 2003). According to Beard and Hartmann (1999), 'telecommunication sector is experiencing phenomenal global change with the liberalization and privatization of the sector, which also opens the competition'. Due to the competition, the telecommunication service providers offers innovative services as well as competitive prices also. It also opens the opportunities for the consumers to enjoy the choice among the service providers.

In the Malaysian telecommunication background, competition can be seen as main factor among the telecommunication service provider companies. Companies like Sapura Digital Sdn. Bhd., Celcom and Mobikom Berhad have been seen their company either being merged with bigger and more competitive companies or gone bankruptcy. Service providers are expected to compete on both price and quality of services and also it is necessary for the service providers to meet the consumers' requirements and expectations in price and service quality (Melody, 2001). Today, there are three major mobile telecommunication service providers in Malaysia companies namely Celcom, Digi and Maxis. The nature of the competition today's in the global telecommunications industry seems to centre on market activities that aim at gaining competitive advantages through strategic combinations of resources and presences in multiple products and geographical areas (Chan-Olmsted and Jamison, 2001).