

**AN ANALYSIS ON POTENTIAL MARKET
OF PROTON CARS IN JORDAN**

NAZLIAH BT NARI

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EXECUTIVE SUMMARY

The key objective of this research is to gather information to assist Proton in preparing a marketing plan based on the feasibility study done and to penetrate new markets in Jordan. Motorists who bought a new passenger car in the last 5 years tend to be young males who are executives and professionals, other white-collar workers or business owners. Mostly tends to own 1 car or in some cases 2 cars. Most new car purchasers are either a first car purchase or a replacement car purchase.

Car prices vary significantly from country to country (most expensive in Syria and cheapest in UAE). Jordan motorists tend to prefer cars that perceived to be well balanced – stylish, high quality, comfortable, reliable, value for money, good performance and technically advanced. This is where Proton is improving in those areas with a reasonable price and better looks. Toyota is the most popular Japanese car while Nissan is the second most popular. Korean cars have also managed to garner a large share of the car market due to its reasonable price and image of being economical to operate and maintain. The most popular Korean car is Daewoo, followed closely by Hyundai.

Proton's brand awareness in Middle East varies from country to country. On the average 1 in 2 motorists who have bought a new passenger car in the last 5 years have heard about Proton. Proton has the highest brand awareness in Jordan (92%) and the lowest in Saudi Arabia (17%). From this studies, it found that it is feasible for Proton to enter the market in Jordan based on the factors highlighted.

CHAPTER 1

INTRODUCTION

The automotive industry is one of the biggest and most lucrative industries in the world. It does not only make profits for itself but creates a whole new industry in the automotive components sector. Proton being the first Malaysian make strives to be a player in the global automotive market with exceptional production and research facilities. In order to be world player, Proton has started to develop cars in both left and right hand drive with the objective to penetrate into the world market. One of the focus markets is the Middle East.

1.1 Background of the Study

The automobile industry in Malaysia began in 1962 when Ford Motor Company of Malaya was incorporated and began operation with 16 employees fitting wheels, doing body repair and paint touch-up work in a rented shop-house in Singapore. In 1963 the initial move for local production of automobiles in Malaysia began. Various government bodies and politicians realized it at that time that automobile production might be a worthwhile industry in Malaysia. In September 1963, the Federal Government announced its intention to encourage the establishment of an automobile industry as part of the industrialization programme and in May 1964 the government announced its initial policy on automobile assembly (Abdullah, 1995). The automobile industry was officially launched in Malaysia in 1967 when six assembly plants were granted approval by the government to start operation.

The Malaysian Government took a very long-term strategic view to create an automobile industry. Initially, CBU units were reduced and replaced by CKD package. Then in the mid-1970s, a core leadership group of about six parts manufacturers