

FUTURE TREND OF PASSENGER CAR MARKET DEMAND IN MALAYSIA
(WITH SPECIAL REFERENCE TO PROTON SAGA)

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1.1 INTRODUCTION.

Since Malaysia gained her independence on 31st August 1957, the motor vehicle industry in this country has been expanding smoothly. During the earlier time, passenger car market was quite stable and placid with only the British and European cars dominating the Malaysian Market.

In 1970's, well established motor companies such as Honda and Toyota started to penetrate into Malaysian Car Market. Several years later, they have taken up to 80% of the market, leaving only 20% to continental cars.

Lately, in 1985, the Malaysian government ventured into producing her own car aptly called 'Proton Saga'. This is in line with the government policy to get itself involved in heavy industries.

Today, the usage of cars in Malaysia has become a part of the every day life of the average Malaysians. Most of them consider cars as a necessity, not as a luxurious element anymore. According to the Malaysian Motor Vehicle Assemblers Association (MMVAA), about 998,000 cars on the Malaysian road gives a distribution ratio of one car for every 2.9 families in Malaysia. It means that Malaysia has already achieved a high ownership incidence compared to the other