

## **SUPERVISOR'S APPROVAL**

### **ANALYSING CUSTOMER PREFERENCES FOR ASTRO USING MARKET BASKET ANALYSIS**

By

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This report was prepared under the supervision of the project supervisor, Puan Nur Suhailayani Suhaimi. It was submitted to the Faculty of Computer and Mathematical Sciences and was accepted in partial fulfillment of the requirements for the degree of Bachelor of Information Technology (Hons.) Information Systems Engineering.

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JULY 30, 2015

## **STUDENT'S DECLARATION**

I certify that this report and the project to which it refers is the product of my own work and that any idea or quotation from the work of other people, published or otherwise are fully acknowledged in accordance with the standard referring practices of the discipline.

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# CHAPTER 1

## INTRODUCTION

This chapter discussed about project entitled Analysing Customer Preferences for Astro using Market Basket Analysis. This chapter consisted of background of study, problem statements, aim, research objectives, and scope of project as well as project significances. This chapter ended with the outline of the thesis as well as summary of the chapter.

### 1.1 Background of Study

In today marketing industry, the customers play the great roles in order to sustain a company or organization. Customers are the most important in order to maintain the customer loyalty and customer preference gained from the products or services offered to them and they looked for the money's worth to spend and its benefits (Shah, 2008). According to Bonilla (2010), she pointed out customers commonly does not choose the attributes (products or services) one at a time rather than choose the set of attributes that provide them the great services. However, the definition of preferences are too subjective and it is related to preferable product or service that customer choose which satisfied them in certain criteria.

Each customer has a set of preferences and more constrained in choosing. These statement can be related to the situation which the customer can choose different type of channel in a package that being offered by Astro. Astro Malaysia Holdings Berhad (Astro) is known as one of the leading company in Malaysia and Southeast Asia in providing a variety type of entertainment such as sports, music, movies, and many more (Astro, 2013). Therefore, Astro offered many packages that contained many channels in each them such as Super Packs, Family Packs, Value Packs, Super Packs Plus

and many more. Each packages has fixed type of genres such as Namma Pack contains only Tamil channels while Wah Pack contains Chinese channels. These were difficult for customer to choose the favourite channels from the various combination of packages. For example, Sports Pack which is only contains sports programme. If the customer had subscribed this package will include another 40 amazing channels (basic channels). Then, the customer need to subscribe another package to get any exclusive channels for their wants. Although it is satisfied the needs, the cost of bills are raised because the fees is too expensive.

Astro has a lot of competitors that might cause to compete with other broadcast channels such as HyypTV (including 25 channels) , ABNxcross (including 50 channels) and *Radio Televisyen Malaysia (RTM)*. HyypTV is one of TV program that delivered by using the fibre optic and can be streamed through Streamyx broadband and the Unifi. It also one of the utilities that being offered by TM. HyypTV also offered many packages and can watch it in tablets or laptops. Another broadcast channels which is RTM, one of the old channel in early 50's. Year by year, RTM attracted their listeners and viewers through commercial advertisement that was aired by the RTM. Thus, Astro need to compete in order to maintain their own customer from unsubscribing their packages.

In addition, Astro does not know the pattern of customer behavior that lead which combination of channels are most preferred and vice versa from the interview session. Based on the interviewing, Astro had difficulties in finding which channels is preferred most by the customer because some of the channels in the package that had been subscribed is not the customers choices. Astro also lacks of consideration on customer needs. Several channels that been preferred by customer may lead to high cost due to the need to purchase several different packages. Then, these made the marketers need to repackage the channels to meet the customer's choice and wants. The customer preference play important roles because it will increase customers' loyalty as well as company's revenue (Wood, Pitta, Franzak, 2008).