

# **APPLIED BUSINESS PROJECT (MBA795)**

# MEASURING AND MANAGING FACTORS INFLUENCING SALES PERFORMANCE: THE STUDY OF PETRONAS LUBRICANT PRODUCTS

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### LETTER OF TRANSMITAL

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Dear Sir,

# APPLIED BUSINESS PROJECT

With great pleasure, we would like to submit our project paper entitled "Measuring and Managing Factors Influencing Sales Performance. The Study of PEETRONAS Lubricant Product"

With this submission, we fulfil the requirement for the completion of Executive Master of Business Administration (EMBA) program.

We take this opportunity to express our sincere gratitude and appreciation for your guidance and constructive comments rendered to us throughout the preparation on this paper.

Thank you.

Yours truly,

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#### **ABSTRACT**

The main product for this paper is PETRONAS lubricant in term of sales performance, and this paper is to indicate the interconnection among the product pricing, product quality and sales performance. Product pricing and product quality factors do contribute towards the sales performance of PETRONAS lubricant product.

There are three main objectives of this paper. The first one is to investigate the relationship between the product quality factors and sales performance, then followed by determining the product price factors and sales performance. At the end of the paper, few recommendations have been made to further improve the sales performance of PETRONAS lubricant product.

As for the research and methodology, we have been distributing questionnaires to the targeted PETRONAS stations based on its representative in the market, in term of demographic, the selected PETRONAS stations were nicely scattered within Kuching area. There were 240 respondents participated, and 203 of them are PETRONAS customers.

There is a significant finding in sales performance when it comes to product quality of PETRONAS lubricant product. Product pricing also contribute towards another significant finding. Gender perceived differently when it comes to product quality factors, and the result has been very significant. At the same time, age group plays an important role in determining the pricing, and it really affects the sales performance.

Therefore, from the study, a few recommendations have been made in order to stimulate the sales performance of PETRONAS lubricant product. PETRONAS should further improve its quality in order to be competitive in the market. It shows

#### **CHAPTER ONE**

#### INTRODUCTION

# 1.1 Background of the study

PETRONAS has introduced a variety of lubricant products for motor vehicles such as Syntium 5000, Syntium 3000, Syntium 1000, Syntium 800 and Mach 5. Since PETRONAS lubricant products for motor vehicles were indroduced, it is vital for this study to be carried out in order to find out the factors that contribute towards the sales performance of PETRONAS lubricant product for motor vehicles. At the moment, PETRONAS contributed about 16.70% and Shell about 54.40% of lubricant products for motor vehicles within Kuching area.

#### 1.2 About PETRONAS

Petroliam Nasional Berhad, PETRONAS is Malaysia's national petroleum corporation established on 17<sup>th</sup> August 1974. Wholly-owned by the Government, the corporation is vested with the entire oil and gas resources in Malaysia and is entrusted with the responsibility of developing and adding value to these resources.

Since its incorporation, PETRONAS has grown to be an integrated international oil and gas company with business interests in 36 countries. By the end of March 2008, the PETRONAS Group comprised 93 wholly owned subsidiaries, 19 partly owned outfits and 55 associated companies.