A STUDY ON THE PERFORMANCE OF THE CONVENIENCE STORES (C-STORE) OF ESSO MALAYSIA BERHAD

by
ANIZAH BTE ZAINUDDIN

SUBMITTED TO SCHOOL OF BUSINESS & ADMINISTRATION,
MARA INSTITUTE OF TECHNOLOGY, IN FULFILLING THE
REQUIREMENT OF OBTAINING ADVANCEDDIPLOMA IN
BUSINESS STUDIES (MARKETING), 1992.

OCTOBER, 1992

ACKNOWLEDGEMENTS

I wish to express my sincere thanks to my thesis advisor, Puan Norlida Abd. Hamid on her ever useful guidance, patience, criticism, advise, understanding, stimulus and interest she gave in the fulfillment of this study. There had been many shortcomings but she made sure that I made as minimum as possible.

To the staffs at Esso Malaysia Berhad especially to those at the Retail's Project and Innovations and Retail Sales section for their kind tips and suggestions offered during the months I was at Esso Malaysia Berhad.

Last, but not least, to my family who had given me the encouragement and the support I need during the wee hours of the night and also to my beloved fiance for the love and understanding.

To these people who made this paper possible, I THANK YOU ALL.

ABSTRACT

Convenience Store shopping is certainly making its mark in Malaysia. Esso Malaysia Berhad have come the long way and tried to fulfill their customers by operating "Food Store " or C-Store at all their new Esso Service Stations. To date, Esso Malaysia Berhad has 26 C-Stores throughout the country and expects to have 35 in operation by the end of 1992.

In an attempt to find out whether C-Store attracts customers to the service stations, a study was carried out in the form of collecting Statistical data on the fuel sales and C-Store sales, from June 1990 till June 1992.

Written questionnaire was also carried out which includes question about the affectiveness of the C-Store to the customer's point of view.

TABLE OF CONTENTS	<u> </u>	PAGE (s)
Acknowledgements		(i) (ii) (iii)
1.1 Esso Malaysia Berh 1.1.1 Marketin	nad (EMB)	1 3 3
2.1 Esso's Convenience 2.2 Purpose and Object 2.3 Scope and Limitati 2.4 Problems Encounter 2.5 Literature Review. 2.5.1 Can Groc Profit 2.5.2 "Green B U.S. Reg 2.5.3 Esso Sek C-Store. 2.6 Hypothesis 2.7 Research Design An 2.7.1 Primary	study e Store (C-Store) tives red ceries Be A New Source of Book" Steers Dealers Through gulations kiyu Opens Prototype Sources	7 7 10 11 14 15 15 17 18 19 20 20 20 23
CHAPTER 3 3.0 The Findings 3.1 Correlation Coeffi 3.2 Questionnaires 3.3 Observations	ry Sources	24 24 28 37 39
CHAPTER 4 4.0 Recommendations		41
CHAPTER 5 5.0 Conclusion	••••	50

APPENDICES

- 1. Esso Malaysia Berhad: Department Organisation Chart
- 2. Marketing Retail Trade Division: Organisation Chart
- 3. Dealer Application Form
- 4. Klang Valley Retail Network Plan
- 5. The Questionnaire
- 6. Correlation Score for Station A K
- 7: Frequency of Visiting The Station
- 8. Amount of Petrol Bought
- 9√ Percentage of respondents that are aware of the C-Store
- 10. Percentage of respondents that are invited to C-Store by Pump Attendants
- 11. Percentage of respondents that bought something besides car products
- 12. Frequency of purchase from C-Store
- 13. Popular items in C-Store
- 14. Amount spent pervisit
- 15. Percentage of respondents that received assistance from the operators
- 16. Ratings of Attributes
 - Service
 - Physical Layout
 - Quality of Products
 - Locations
- 17. Ratings of Attributes
 - Price
- 18. Ratings of Attributes
 - Range
- 19. Ratings of Attributes
 - Cleanliness
- 20 Percentage of respondents reasons coming to service station with C-Store
- 21/ Percentage of respondents preference coming to service station with/without C-Store
- 22. Background Data
 - (Sex, Race, Age)
- 23. Background Data
 - (Income and Occupation)
- 24. Monthly promotion program for C-Store by Esso Malaysia Berhad
- 25. Photographs taken during the Grand Openings in Kampung Melayu, Johore Bahru and Tanjong Rambutan, Perak

BIBLIOGRAPHY