



**TM CELLULAR SDN BHD'S SALES PERFORMANCE:
A CASE STUDY OF ITS
CORPORATE AND GOVERNMENT CUSTOMERS
IN KUCHING**

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EXECUTIVE SUMMARY

The sales performance of TM Cellular Sdn Bhd has not been constant in the past three years. This trend has been attributable to various factors including the pattern of usage of cellular services and response of the company's various customers for the company's products and services. The corporate and government customers are one of the company's major customers and they too contribute to the sales trend.

This study highlights the factors, which affect the sales performance of TM Cellular Sdn Bhd with respect to the high end corporate, and government customers in Kuching. The findings of this study are based on the results obtained from a survey done on the targeted corporate and government customers. The survey centers on the usage of the various cellular facilities offered, areas of serviceability, cellular charges and customer service. These are the main indicators of customer satisfaction, which directly affects the sales performance.

The findings show that certain features were frequently used while others were not. Likewise, some customers were satisfied with some aspects of customer service and products, while others were not. This satisfaction level affects the sales performance in one way or another, and this is discussed in the study.

Based on the findings, the recommendations are for TM Cellular Sdn Bhd to utilize its internal strengths for synergy with its parent company to overcome the challenges. In addition, its current position in the nation's cellular market also needs to be capitalized in order to come up with strategies and plans to improve sales performance.

In going through this study, the reader is to take note that some of the statistics have been purposely altered. This is to protect the confidentiality of the subject under study.

Chapter 1

1.0 INTRODUCTION

1.1 Background of TM Cellular Sdn Bhd

TM Cellular Sdn Bhd ("TM Cellular") is a subsidiary of Telekom Malaysia Bhd, which started operations in September 1996 as Emartel Sdn Bhd. The company operates the mobile telephony services under the brand name of TM Touch with access code 013.

TM Cellular has grown tremendously since its formation. From a humble start of 15 customer service centers in 1996, it now has 35 canters nationwide. Its customer base has likewise increased from 9,000 customers in September 1996 to 1.6 million customers as at December 2002. Total revenue for the 1st Quarter of this year for TM Cellular is RM26 million.

The cellular industry in Malaysia as a whole has undergone several developments over the past decades. As a result of the deregulation of the industry in the late 1980's and the consolidation of cellular companies from middle of 1990's, there are currently four players in the market operating different radio frequency spectrums, including TM Cellular and Celcom, the latter which has just been acquired by Telekom Malaysia Bhd.

Continuous new innovations and technologies are introduced in the market, making the industry a robust and growing industry. TM Cellular itself has products varying from prepaid such as Touch Advance, Intim, Recharging, to roaming services such as overseas and Malaysia roaming, to value added services such as itemized billing, international direct dialing (IDD), call forward and call waiting.

1.3 Objectives

The objectives of this study are to:

- i. Determine the factors affecting sales performance of TM Cellular Sdn Bhd's corporate and government customers in Kuching.
- ii. Recommend ways to improve the sales performance of the corporate and government customers in Kuching.

1.4 Scope

The scope of this study covers TM Cellular Sdn Bhd Sarawak's sales performance contributed by existing corporate and government customers in Kuching. This study does not include those corporate and government customers who have terminated their services. In addition, this sales performance only covers sales from postpaid services.

This study will only cover the factors affecting the sales and does not translate the resultant sales in terms of dollars and cents. In addition, the sales factors are analyzed as individual independent factors or variables without any study on any intra relationship or correlation that may exist among the various independent variables. The lack of information in particular the breakdown of sales contribution from the various products and services limits the scope of our study.