

**THE STUDY ON THE EFFECTIVENESS
OF THE PROMOTIONAL PACKAGES
USED BY CELCOM**

STANLEY SILA



**BACHELOR IN BUSINESS ADMINISTRATION
(HON) MARKETING
FACULTY OF BUSINESS AND MANAGEMENT
MARA UNIVERSITY OF TECHNOLOGY**

APRIL 2000

TABLE OF CONTENTS

| | Page |
|--------------------------------------|-------------|
| ACKNOWLEDGEMENTS - - - - - | ii |
| TABLE OF CONTENTS - - - - - | iii |
| LIST OF TABLES - - - - - | vi |
| LIST OF FIGURES - - - - - | vii |
| DEFINITION OF TERMS - - - - - | viii |
| ABSTRACT - - - - - | ix |

CHAPTERS

| | | |
|----|---|----|
| 1. | INTRODUCTION - - - - - | 1 |
| | 1.1 Company Background - - - - - | 3 |
| | 1.2 Problem Statement - - - - - | 7 |
| | 1.3 Objectives - - - - - | 8 |
| | 1.4 Significant of Study - - - - - | 8 |
| | 1.5 Hypothesis - - - - - | 9 |
| | 1.6 Scope of Study - - - - - | 10 |
| | 1.7 Limitation of the Study - - - - - | 12 |
| | 1.8 Justification of Research - - - - - | 14 |
| 2. | LITERATURE REVIEW - - - - - | 15 |
| | 2.1 The Important of Mobile Phone Telecommunication - - - - - | 15 |
| | 2.2 Promotional Activities in Mobile Phone Industry - - - - - | 16 |
| | 2.3 Products and Services Development - - - - - | 20 |
| | 2.4 Current Market Situation of Mobile phone Industry In Malaysia | 21 |
| | 2.4.1. Analogue and Digital - - - - - | 21 |
| | 2.4.2. Digital System available today include - - - - - | 22 |
| | 2.5. Mobile Phone Industry in Malaysia - - - - - | 23 |
| | 2.5.1. Maxis - - - - - | 23 |
| | 2.5.2. Adam - - - - - | 24 |
| | 2.5.3. Telekom Cellular Sdn. Bhd. - - - - - | 27 |
| | 2.5.4. Mobikom Sdn. Bhd. - - - - - | 30 |
| | 2.5.5. Digi 1800 - - - - - | 32 |
| | 2.5.6. ATUR 450 - - - - - | 34 |
| 3. | METHODOLOGY - - - - - | 36 |
| | 3.1 Primary Data - - - - - | 36 |
| | 3.1.1 Attitudinal Data - - - - - | 37 |
| | 3.1.2 Awareness Data - - - - - | 37 |
| | 3.1.3 Behavioral Data - - - - - | 37 |
| | 3.1.4 Classification Data - - - - - | 38 |
| | 3.1.5 Questionnaire - - - - - | 38 |

ABSTRACT

The study on the effectiveness of the promotional packages used by Celcom (Malaysia) Sdn Bhd to maintain as a market leadership in the cellular phone market. The parameter of the study is limited in Kuching City as a state capital of Sarawak. The feedback on the evaluation of the effectiveness of the promotional packages offered by Celcom was conducted by distributing the questionnaire to Celcom customers at Celcom Kuching Branch at Wisma Lim Kim Soon, Jalan Satok and Celcom Service Centre at Jalan Datuk Abang Abdul Rahim, Padungan area.

The analysis was done base on the respondent level of awareness and understanding from the feedback on the questionnaire. To support the finding of the study, data and information from Celcom monthly marketing report for Kuching Branch and market intelligent report prepared by Celcom Sarawak Regional office are analyse. The study covered on the competitor advantages and the current position of the market share of the others active mobile phone operators. With the analysis from the monthly customer growth of Celcom new monthly registered customer, the level of awareness and response of the public towards the promotion packages offered by Celcom can be measured and determined.

1. INTRODUCTION

The evaluation of the effectiveness promotion packages offered by Celcom on the customer retention and acquisition program for both Celcom systems; Celcom ART 900 and Celcom GSM.

According to Kotler and Armstrong (1996), promotion is a wide assortment of tools to attract customer attention and provide information that may lead to purchase. Promotion is one of the four major elements of the company's marketing mix. The main promotion tools in Celcom is trade promotion with the offer of promotional packages designed to gain hand phone dealers support and to push hand phone dealers selling effort. These including push money or attractive incentive offer to the mobile phone dealers, discounts air time rate, free access fee for life, free hand phone set for the Celcom customers and trade show to create awareness towards Celcom services among the public.

The most important assortment tools used by Celcom in the marketing activity are the promotion packages offer to the potential customers. The detail of this study is limited to the effectiveness of Celcom promotional packages offer that lead into the retention and acquisition Celcom customers program.

Mobile Communication (May 1999) entitled "Surfing the wireless", was a sophisticated applications released on to the market, the influence and growth

2.0. LITERATURE REVIEW.

2.1. The Important of Mobile Phone Telecommunications

Telephones have become a necessity for Malaysian. In this fast-moving world, one needs to be networked and telephone is a tool for one to be networked efficiently. From coin and card public phones, the industry progress to mobile phones and satellite phones.

Seeing people with hand phones is normal. In the old times, people move around with slings, kris, spears and guns. They need to carry this weapon to use it or just to feel secures. In this digital world, hand phones are the weapons. A mugger can be brought down with a hand phone; a person in distress can call for help using the set; a mother can track the whereabouts of her children; and the bosses need to track down their subordinates. As we move into the new millennium, Celcom have a singular focus namely to make life simpler. After all, that the whole point of telecommunication.

Source quoted from Telecommunication Development Asia - Pacific Mobile Communication (September 1998), "How important is the telecommunications?, "Nokia Connecting People" who knows how the initial contact will be made? Email or fax, Internet or Mobile phone? It is done, whether it is business availability, connectivity and mobility are the crucial issues.