

'DISCOVER INDUSTRIAL CUSTOMER SELECTION CRITERIA IN FOOD MANUFACTURING INDUSTRY': A CASE STUDY OF RIKEVITA (M) SDN BHD

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JUNE 2014

ACKNOWLEDGEMENT

In the name of Allah, the Most Gracious and the Most Merciful. Alhamdulillah, all praises to Allah for the strengths and His blessing in completing this thesis. Special appreciation goes to my advisor, Madam Nor Fazlin Binti Uteh, for her supervision and constant support. Her invaluable help of constructive comments and suggestions throughout the experimental and thesis works have contributed to the success of this research. Not forgotten, my appreciation to my supervisor, Mr Rusli Bin Rahmat for his support and knowledge regarding this topic. Not to be forgotten, cosupervisor of Rikevita (M) Sdn Bhd, Miss Nur Hanizah Binti Abdul Hamid for tremendous support in completion of practical training.

I would like to express my gratitude to my beloved lecturer Madam Jaslin Binti Md Dahlan for the useful comments, remarks and engagement through the learning process of this research. Furthermore I would like to thank my friends for giving opinion to the topic as Ill for the support on the way. Also, I like to thank the participants in my studies, who have willingly shared their precious time during the process of interviewing. I would like to thank my loved ones, who have supported us throughout entire process, both by keeping us harmonious and helping us putting pieces together. I also thank everyone who has contributed to the completion of this report.

Last but not least, my deepest gratitude goes to my beloved parents; Mr. Rahmat Bin Darmo and Mrs. Ros Halijah Binti Mohd Salleh and also to my sisters for their endless love, prayers and engagement. Also not to forget those who indirectly contributed in this research, your kindness means a lot to me. Thank you very much.

TABLE OF CONTENT

CONTENT	PAGES
ABSTRACT ACKNOWLEDGEMENT LIST OF ILLUSTRATIONS ABSTRACT	Xi i ii iii
CHAPTER 1.0- INTRODUCTION 1.1 BACKGROUND OF COMPANY 1.2 BACKGROUND OF STUDY	1-2 3- 4
1.3 SWOT ANALYSIS 1.3.1. STRENGTH 1.3.2 WEAKNESS 1.3.3 OPPORTUNITY 1.3.4 THREAT	5-6 7 8 9
1.3.4 TREAT 1.4 ISSUE AND PROBLEM STATEMENT 1.5 RESEARCH OBJECTIVES 1.6 RESEARCH QUESTIONS 1.7 SIGNIFICANCE OF THE STUDY	10-12 13 13 13-14
1.8 SCOPE AND LIMITATION OF THE STUDY 1.9 DEFINITION OF TERMS IN CONCEPTUAL VIEW 2.0 DEFINITION OF TERMS IN OPERATIONAL VIEW	14 15-16 17-18
CHAPTER 2.0- LITERATURE REVIEW 2.1 INTRODUCTION 2.2 INDUSTRIAL CUSTOMER SELECTION CRITERIA 2.3 DIFFERENT LEVEL OF MANAGEMENT 2.3.1 TOP LEVEL OF MANAGEMENT 2.3.2 MIDDLE LEVEL OF MANAGEMENT 2.3.3 FIRST LEVEL OF MANAGEMENT	19 20-22 23 23 24 25
CHAPTER 3.0- RESEARCH METHODOLOGY 3.1 INTRODUCTION 3.2 RESEARCH DESIGN	26 26
3.3 DATA COLLECTION METHOD 3.3.1PRIMARY DATA 3.3.1.1 PARTICIPANT OBSERVATION 3.3.1.2 INTERVIEW	27
3.3.2 SECONDARY DATA 3.3.2.1 INTERNAL DATA 3.3.2.2 EXTERNAL DATA	28 39-31
3.4 THEORETICAL FRAMEWORK 3.5 SAMPLE OF RESPONDENTS	32
CHAPTER 4.0- FINDINGS 4.1 INTRODUCTION 4.2 RESEARCH OBJECTIVE FINDINGS	33
4.2.1 OBJECTIVE 1 4.2.2 OBJECTIVE 2 4.3 SUMMARY OF INTERVIEW	34-37 38-40 41-42

LIST OF ILLUSTRATIONS

- Bar chart shows comparison of DMG capacity produced by Rikevita (M) Sdn Bhd with current competitor.
- 2. Line graph indicates sales growth of Rikevita (M) Sdn Bhd for three quarter of 2013.
- 3. Theoretical Framework to indicate connection between dependent variable and independent variable
- 4. Hierarchy of level of management to reflects respondent's position.
- 5. Table 2 that shows summary of overall findings based on Objective 1.
- 6. Table 3 dhows summary of overall findings based on Objective 2.
- 7. Table 4 shows example of sample of Partner Evaluation Scorecard.

ABSTRACT

Modern era of business demands a stable and long lasting partnership with supply chain partners. A relationship is considered success in which mutual economic gain, understanding of ndustrial requirement and respect to each other exists. The role of the large scale manufacturing supplier becomes more crucial in building relationship to its business client. However, supplier's role themselves would not able to stand alone if there is lack of mutual understandings from other partners which are industrial client. The food manufacturing industry in Malaysia plays a significant role in economy. In Malaysia, food sector account for 10% of manufacturing outputs which contributes to GDP growth. The use of qualitative methods is appropriate for this complex issue. This paper develops a framework that will effectively guide large manufacturer in selecting their business client especially market leader in respective industry to assure that careful selection were made to protect the exclusivity of the product as well as business reputation and credibility. The findings, derived from in depth interviews, demonstrate that manufacturers should focus on type of industry, business reputation, financial stability and previous relationship as an important criterion in identifying buyer-supplier relationships followed by additional factors that need to be considered which are size of industry and delivery of product.