



CUSTOMER PERCEPTION TOWARDS BUMIPUTERA'S SME PRODUCTS

In MEDAN MARA, KUALA LUMPUR

WAN KHALIDAH AQILAH BINTI WAN MOHD ZULKIFLI

2014310285

Submitted in Partial Fulfillment

Of the Requirement for the

Bachelor of Business Administration (Hons) Marketing

FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGI MARA

JOHOR

DECEMBER 2016

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 study. I would like to extend my sincere thanks to those involved in this study, without the kind support and help from many individuals and organization, it would not have been possible to complete this study.

Special appreciation goes to my academic advisor, Madam. Rohani Binti Jangga, for her supervision, patience and irreplaceable time spent guiding me towards the completion of this report. Her invaluable help of constructive comments and suggestions throughout the experimental and thesis works have contributed to the success of this research. Thank you for the time spent to advise me in writing my report.

My warmest appreciation and thanks go most to Madam Siti Suraya Binti Abd Wahab my supervisor, for cooperation and and invaluable insights in relation to the relevant information gathered for this project paper. Not only that, a million thank you for BPU teams and management of Majlis Amanah Rakyat (MARA) for sharing their knowledge and experiences with me during the practical training.

Sincere thanks to my beloved family, friends and to everyone who have willingly helped me with their abilities, for their kindness and moral support throughout the time of completing my industrial training and report paper.

TABLE OF CONTENT

| TITTLE PAGE | PAGE |
|---|-------------|
| Declaration of Original Work | iii |
| Letter of Transmittal | iv |
| Acknowledgment | v |
| Table of Content | vi |
| List of Table | ix |
| List of Figure | ix |
| Abstract | x |
| | |
| Chapter 1: Introduction | |
| 1.1 Background of the study | 1 |
| 1.2 Background of Company | 3 |
| 1.2.1 History | 3 |
| 1.2.2 Corporate Vision | 4 |
| 1.2.3 Corporate Mission | 4 |
| 1.2.4 Company Objectives | 4 |
| 1.2.5 Company Strategies | 4 |
| 1.3 Research Problem | 5 |
| 1.4 Research Objectives | 6 |
| 1.5 Research Questions | 6 |
| 1.6 Significance of the Study | 6 |
| 1.6.1 Researcher | 6 |
| 1.6.2 Entrepreneur | 6 |
| 1.6.3 Customer | 7 |
| 1.7 Scope of Study | 7 |
| 1.8 Limitation of the Study | 8 |
| 1.8.1 Time Constraints | 8 |
| 1.8.2 Cost Constraints | 8 |
| 1.8.3 Lack of Cooperation between Customers | 8 |
| 1.9 Definition of Terms | 9 |

ABSTRACT

The study aims to identify the factors that can lead to the satisfaction of customers towards the Bumiputera's SME products and to determine the main attribute that coexist with the variables that contribute to the customers' perception towards the Bumiputera's SME products. The issues that arises in this study are packaging, quality and price sensitivity of the products. 50 customers had been selected as a respondents due to the constraint time and willingness of respondents to reply correctly and willingly. Moreover, before the questionnaire being distributed to the respondents a sample of 5 customers were selected to complete a pilot test study as to improve the study. Using convenience sampling, the questionnaires are distributed to customers that come in the Medan MARA. Therefore, throughout the research findings, there's only has one hypothesis were supporting the research. Overall, brand image has a major influences for customer to purchase the Bumiputera's SME products.

Keywords: *Customer perception, Bumiputera's SME, Brand image, Product quality, Price*

CHAPTER 1: INTRODUCTION

1.1 BACKGROUND OF STUDY

Small and medium-sized enterprise (SMEs) have been acknowledged as important actors of commercial activity and play a vital part in the evolution of a country, especially in the second half of the 20th century, they are critical to the ability of an economic system to innovate, diversify and produce new jobs (Poon et al, 1994 as cited in Dr Norzaidi et al., 2011).

Based on economic census 2011 by SME Corp the overall total of SMEs is 645,136. Collectively, these SMEs contributes to the growth of manufacturing, services and agriculture sectors, as well as ICT services, in terms of output, value-added, employment and exports. However, in 2014 the contribution of SMEs to overall GDP by key economic activity (constant 2010 prices) is 35.9% (Department of Statistics Malaysia (DOSM) and SME Corp. Malaysia). Overall contribution to the export and annual growth SME export in 2014 is 17.8%. For the contribution of SMEs to overall employment for 2014 is 65.0%. As stated from Department of Statistics Malaysia (DOSM) and SME Corp. Malaysia total productivity of SMEs in a year 2014 is RM58, 213.

The customer is an important role in the development of the economy of the SMEs. The perception of the customers is a first factor that contribute to the purchasing of the SMEs product. Customer perception give an impact to the industry especially to the growth of the SMEs itself. The product and services from the entrepreneurs must meet this customer expectation. As for example, the packaging of the product is a first thing that customer will judge after they see the product because currently packaging plays a role as a tool of sales promotion and stimulator of impulsive buying behaviour. Their products are facing difficulties in penetrating into the local market itself besides having to compete with other established products from abroad, due to weak design features in packaging.