

**FOREIGN FIRMS MARKETING PRACTICES
VIS-A-VIS SUPPORT RENDERED BY HOST
GOVERNMENT AGENCIES:
A CASE STUDY IN
MALACCA INDUSTRIAL
ESTATES**

**SHARIFAH SALEHA BT SYED ABDUL KADIR
2000224341**

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

APRIL 2002

ABSTRACT

Foreign firms are an engine of growth of our economy. The foreign firms are expected to provide the important stimulation to expedite the nations industrialization process to achieves Vision 2020: wherein by the year 2020 Malaysia is expected to become fully-industrialized nation like its other Asian counterparts such as Japan, South Korea and Taiwan. Malacca has set a vision to turn the state to be "Fully Industrialized State" by the year 2010. A key success of the company can be measured by the effectiveness of their marketing strategy, which consists of marketing segmentation, marketing targeting and marketing positioning. Marketing is importance in order to identifying market opportunities; consumer behaviour and customers needs and want. The implementation of marketing by local and foreign firms is importance to identify marketing program, market sales potential, new market o[opportunities, sales forecasting, creating advertising and promotional plans, developing distribution plans, budgeting, promotion and advertising tools in other to ensure the successful of their performance in the market. Today's business organizations use market research in the stage decision-making process to analyze market potential, market share, sales, business trends and competition. Thus, the study explore the marketing practices by foreign firms in Malacca Industrial Estates and supporting agencies that may enhance the future growth of this industry. Data from the survey of MIDP, which covers from the year 1995-1999 of 40 foreign firms, were used using regression and t – test. The lists of the firms were drawn from Malacca SEDC and FMM.

ACKNOWLEDGEMENTS

In The Name of Allah, The Merciful, The Mercy-Giving

Alhamdulillah, first and foremost a grateful thanks to Allah for giving me a strength in preparing and completing this project paper.

This thesis would not have been possible without participant and support of many people. I would like to take this opportunity to express my gratitude to individuals, in particular whose help and guidance has made this thesis a success. First of all, I would like to convey utmost gratitude to my project advisor, Associate Professor Dr Abd Halim bin Mohd Noor for his guidance, tolerance and encouragement me preparing and complete this thesis. I wish to thank to him for all the excellent supervision he provided before, during and following the creation on this project paper.

I would like to express my deepest gratitude to the individuals in providing me valuable information: Mr Mohd Jalaini b Mohd Said (MSDC), Pn Siti Morni bt Abd Talip (MITC), En Zuhri Iskandar b Abd Rahman (EPU Malacca) and En Norizan b Hj Yahya (Royal Malaysians Customs and Excise Department Malacca), thank you towards their information and cooperation. Special thanks goes to my second examiner, Tn Hj Md Shariff b Md Haniff for his comments and advise. Special thanks also goes to Puan Nur'Azni bt Ya'cob (Tropikcal Foods & Beverages (KL) Sdn Bhd and staff, I am very happy to be a part of TFBKL members.

Finally I would like to express my deepest appreciation to my loving parents,
and and family for their endless love and support towards the years of my study. Last but not least, thanks to all my dearest friends and colleagues whom giving me support and assistance throughout the completion of the report. Not forgetting to those who are involved directly or indirectly in making this project possible. May Allah bless you.

TABLE OF CONTENTS

LETTER OF TRANSMITTAL	i
ABSTRACT	ii
ACKNOWLEDGEMENTS	iii
LIST OF TABLES	vii
LIST OF FIGURES	viii
LIST OF APPENDICES	ix
LIST OF MAPS	ix
ABBREVIATIONS	x

CHAPTERS

1.0 INTRODUCTION

1.1	Background of the study	1
1.2	Problem Statement	8
1.3	Objectives of the study	10
1.4	Research Question	10
1.5	Hypothesis	11
1.6	Scope of the study	12
1.7	Significant of the study	13
1.8	Limitation of the study	15

2.0 LITERATURE REVIEW

2.1	Introduction	17
2.2	The Importance of Marketing Practices	17
2.3	Empirical Study in Malaysia	23
2.4	Industrialization in Malacca	30
2.5	Development of Supporting Industries and Agencies	38
2.6	Summary	41

LIST OF TABLES

Table 2.1	Total Investments, Factories in Operation and Employment by Industrial Area Till 2000.
Table 2.2	Status of Malacca Industrial Estates Till 2000.
Table 2.3	Investment on Manufacturing Companies in Malacca by Countries As At 2000
Table 4.1	Composition of Respondent by Descriptive Statistics
Table 4.2	Composition of respondent by Types of Location of Industrial Estates
Table 4.3	Composition of respondent by Types of Industry
Table 4.4	Composition of respondent by Main Activity
Table 4.5	Composition of respondent by Years in Operation
Table 4.6	Composition of respondent by Range of Paid – Up capital
Table 4.7	Composition of respondent by Market Destination
Table 4.8	Composition of respondent by Frequency of Participation in Exhibition (Local &Abroad)
Table 4.9	Composition of respondent by Customers
Table 4.10	Composition of respondent by Marketing Problem
Table 4.11	Composition of respondent by Future Marketing Plan
Table 4.12	Composition of respondent by Total Export Per Year
Table 4.13	Composition of respondent by Sales Turn Over(1995-1998)
Table 4.14	Composition of respondent by Cost of Production (1995-1998)
Table 4.15	Composition of respondent by raw Material Source Abroad