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INVC.....

DISTRIBUTION CHANNELS  
OF  
CEMENT AND STEEL BARS  
IN MALAYSIA

# CLOSED STACKS

By

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1986

Submitted to the Faculty of  
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in partial fulfilment of the  
requirements for the  
Degree of  
MASTER OF BUSINESS ADMINISTRATION  
March, 1996

Perpustakaan Universiti Malaya



A506441327

Dimikrofilkan pada..... 14.67.2000  
No. Mikrofis..... 14768  
Jumlah Mikrofis..... 1

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## ABSTRACT

The purpose of this study is to provide a better understanding of the distribution channels on two of the most important building materials, that is, cement and steel bars, in Malaysia.

Personal interview based on a questionnaire designed for the study were conducted on major cement and steel bar manufacturers in Malaysia. The surveys revealed the importance of distribution channels in the marketing of cement and steel bars as compared to pricing, product quality and promotion. It was also found that most manufacturers sell their produce mainly through distribution channel members (middlemen). These middlemen are needed for economic reasons. Their main functions are assuming the responsibility of risk taking, financing the costs of distribution and matching the needs of end users to those of manufacturers.

The study also found that despite employing an intensive distribution strategy, manufacturers carefully select their middlemen. The most important selection criteria of middlemen are their potential for growth, the number of years in business and their reputation in the market.

## ACKNOWLEDGEMENT

I would like to express my appreciation to my supervisor, Puan Lee Kum Chee for her guidance.

Many thanks go to personnel of manufacturing companies of cement and steel bars who have assisted in one way or another for their contributions in making this paper possible.

I would also like to express my appreciation to my wife, Lim Lay Imm for her advice and her encouragement and my son, Juansen, who is a constant source of inspiration during the course of writing this paper.

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