

## TABLE OF CONTENTS

<b>1.0</b>	<b>STUDY BACKGROUND.....</b>	<b>1</b>
1.1	Objectives.....	1
1.2	Scope of study.....	1
1.3	Significance of this study.....	1
1.4	Why DUMEX was selected for this study?.....	2
1.4.1	Market leader for infant formula in Malaysia.....	2
1.4.2	Largest Nutrition Services Team among milk companies in Malaysia.....	4
1.4.3	Facing substantial Nutrition Advisors turnover.....	5
1.5	Research methodology.....	6
1.5.1	Primary data.....	6
1.5.2	Secondary data.....	6
<b>2.0</b>	<b>REGULATORY ESTABLISHMENT ON INFANT FORMULA PRODUCTS IN MALAYSIA.....</b>	<b>6</b>
2.1	Definition of infant formula.....	7
2.2	Code of Ethics for Infant Formula Products.....	8
2.2.1	Background.....	8
2.2.2	Scope of the Code.....	9
2.3	Disciplinary Committee on the Code of Ethics for Infant Formula Products.....	11
<b>3.0</b>	<b>MALAYSIA INFANT FORMULA INDUSTRY – EXTERNAL ANALYSIS USING PORTER'S FIVE FORCES MODEL OF COMPETITION.....</b>	<b>13</b>
3.1	First force: Rivalry among competing firms.....	13
3.1.1	Market analysis.....	13
3.1.2	Competitive analysis.....	16
3.2	Second force: Threat of new entrants.....	19
3.2.1	Economies of scale.....	19
3.2.2	Product differentiation.....	20
3.2.3	Capital requirements.....	22

3.2.4	Access to distribution channels.....	22
3.2.5	Code of Ethics for Infant Formula Products.....	23
3.3	Third force: Bargaining power of buyers.....	23
3.4	Forth force: Bargaining power of suppliers.....	25
3.4.1	Cost price increase.....	26
3.4.2	Basis of price determination.....	27
3.4.3	WTO/GATT and Malaysia tariffs policy.....	29
3.5	Fifth force: Threat of substitute products.....	30
<b>4.0</b>	<b>INTERNAL ANALYSIS – DUMEX (MALAYSIA) SDN. BHD.....</b>	<b>32</b>
4.1	Resources.....	32
4.1.1	Tangible resources.....	32
4.1.2	Intangible resources.....	39
4.2	DUMEX core competencies.....	45
4.2.1	Product positioning.....	45
4.2.2	People policies.....	46
4.2.3	Top management's direction and support.....	47
<b>5.0</b>	<b>RECOMMENDATIONS FOR INFANT FORMULA INDUSTRY.....</b>	<b>48</b>
5.1	Product strategy.....	48
5.1.1	Product line extension.....	48
5.1.2	Product formulation.....	48
5.2	Pricing strategy.....	49
5.3	Promotion strategy.....	50
5.4	Distribution strategy.....	51
<b>6.0</b>	<b>STUDY LIMITATIONS.....</b>	<b>53</b>

## BIBLIOGRAPHY

## APPENDICES