

CHAPTER 6: CONCLUSION and RECOMMENDATION

This study was undertaken with the objective of identifying the consumer perception and dynamic position of the mobile phone market in Malaysia. The sample was collected with predefined methodology and criteria in various locations to examine five major mobile phone brands (as discussed in Chapter 3). Specifically, these analysis were actually partitioned into several major parts, where the first part was by adopting Professor Keller's calculation method (as discussed in Chapter 2) to identify the brand positioning via the ranking of brand preference index (as shown in Chapter 4). The other parts are to understand the consumer's needs and expectation by applying factor analysis, as well as an attempt to segmentize the different mobile network service users by discriminant analysis (as shown in Chapter 5).

This chapter concludes with a summary of the business findings in the preceding sections and a discussion of its implication towards marketing strategy development. Recommendation of potential future development in this area will also be highlighted towards the end.

6.1 Business Findings

A summary on the previous findings that were discussed indicate that demographically (as compared to general population), the respondents skewed towards Chinese between 20 to 30 years old with personal income of RM1,000 to RM2,000, and household income between RM1,500 to RM4,000. This indicates that more of the younger working adults are having mobile phones. Investigation carried out in Chapter 5 implied that post and pre- paid phone users being differentiated by ethnicity, age group, personal and household income. However, the same analysis also indicate that the model generated may not be appropriate to be further developed at this point of time, as the model's goodness- of- fit is very low.

At the point of research, the mobile telecommunication industry has undergone waves of change in terms of consumer preference and promotions made by the company. The notable changes at that time was the launch of equal access, company is getting increasingly aggressive, re- branding of hand phone unit image, and improving consumers sentiments. The top three most popular brands, which also been reflected were Nokia, Motorola and Ericsson. These brands post some competitive advantages over the others, due to larger customer base.

However, close observation according to Professor Keller's calculation using the preference index, shows slightly different results. In this case, Nokia is still the most preferred brand, followed by Samsung, Motorola, Alcatel and lastly Ericsson. In this case, Nokia is still the top brand in the market leaving the other competitors far behind. Interestingly, the other four brands has a relatively indifferent result in preference index, and from that observation, the new comer Alcatel has overtaken Ericsson in the positioning, also Samsung over Motorola. This implies the potential for both brands (Samsung and Alcatel) to prosper.

The analysis goes a step further to identify what is the general need of the respondents when they use a particular brand. It seems that the findings tie up with the earlier brand preference analysis, where, modern technology, trendy and innovation overcome most of the other brand attributes. As Nokia, Alcatel and Samsung are always having new promotions on their creativity and innovation, this must have a major impact on the respondent expectation. Compared with Motorola and Ericsson, these two brands have been around quite sometime in the market, and perceived to be an "old" brand. Hence, their position has been distorted by the newcomers with innovation and creativity (namely, Alcatel and Samsung).

These insights managed to give any marketing strategist the information needed to develop their products. As information on its own is not enough if it can not be translated into action. The next section will discuss some potential areas for enhancement in the marketing strategy to be implemented into the market. As this study is directed to the general perception, the development program will not be specific to one particular brand, but instead will be a general direction of strategy development.

6.2 Marketing Strategy

Basically, in order to develop a good marketing strategy, it is important for the strategist to identify several crucial development area for the product. Understanding customer's perspective is one of them, as this will identify the requirement for a product to grow and develop in the future. Competition is, as always, one of the most important factor that the marketers need to beware, so that he can anticipate and subsequently outmaneuver them. Apart from that, resource is another factor that may hinder a company to have grand promotions in every location known. Hence, in this case, it is important that the marketers can identify the specific audience and concentrate their marketing effort on them, as this may potentially increase their return on investment.

Every product has their uniqueness and benefits that the consumer seeks. It is very important to clearly define the product's distinctive features to the selected audience. During the promotion, the marketers should shape the audience's perception on the product and subsequently making sure that the audience will find the product to be distinctive, as well as compelling and believable. Product life cycle is a common terminology that applies to most of the products in the market. Hence, it is important that the marketers can plan for sequenced growth throughout the process, so that the growth or maturity stage will be sustainable.

By having these concepts in mind, it is not enough if the execution of strategy is not efficient, consistent or well integrated. In order to evaluate this, results tracking and monitoring will be very crucial. If in any case the results are not beneficial, then re- evaluation of the strategy should be done immediately.

This study managed to provide some insight of the industry that will benefit the marketers in strategy development by:

1. understanding product dynamic through individual brand analysis
2. identifying each brand's positioning through preference index
3. preference index also acts as a signal of "brand health" for each product, that is able to anticipate future position or promotional effectiveness of each brand
4. identifying the target audience in certain ethnicity, age group and income group
5. understanding consumers' perspective by having the product attributes defined and grouped into manageable numbers

6. providing groundwork for promotional activities for each brand to ensure effective strategy execution
7. providing the foundation of brand tracking in the future

In view of these, the mobile phone company should continue the promotional services by having innovative product and services suitable for trendy people, to indicate that the image of the company as being technologically advanced able to offer variety of creative but durable product features and having good customer service. Apart from that, the company should also target to be a market leader and improve their positioning by widening the preference index between one company to another. In order to achieve these positions, hi- tech and trendy features will be the key driver for the brand and should be continuously highlighted to the target customers.

5.3 Post Research

There is no doubt that the data covered in this study can be used for other analysis and business applications to obtain further insight of the industry. However, due to the fact that the objective of the study is to have an overall view for business effectiveness, it will be more appropriate to analyze the data to understand general market dynamics of the environment. The same methodology can be assigned to each individual brand for better understanding, and also to develop a SWOT analysis of that product.

As one of the methodology shortfall in this study was having quota sampling, identifying sampling distinctiveness will be relatively difficult. In view of this, future study should be based on pure random sampling. Where, by using this method, customer demographic can be clearly identified and their profiles should be developed for future targeting process. In order to do this, the researcher should apply population weights to the sample to reflect the population distribution. By having this information, the marketers can identify exactly who is their customer, and investment should be tailored for these groups of audience accordingly.

By having clear targeted audience and identifying the strength or weaknesses of the product, the marketers can have clearer pathway in having a more effective strategy. However, the marketers must bear in mind that these strategies need to be monitored periodically for efficiency using the dimensions that were discussed.

The frequency of monitoring depends on market dynamics. For example, if the market is fairly stable, the survey should be done every few years to identify any behavior shift in the market. However, if the market is volatile or very dynamic, the tracking study should be done more frequently to monitor the situation. Hence, with the information, the marketers can develop a good marketing strategy, effectively implement it and lastly monitor the progress to identify the gap or future needs