

Proton vehicles



**ASSIGN
BUSTER**

1. Background of the Company It all began in 1979 when Malaysia's Father of Modernisation, Tun Mahathir Mohamad, mooted the idea of establishing an automotive assembling and manufacturing industry in our country. It was Tun Mahathir's dream to accelerate Malaysia's industrialisation capabilities to match those of developed nations. His dream became one step closer to reality when the Cabinet approved the National Car Project in 1982. The dream was fulfilled when PROTON was officially incorporated on May 7, 1983. Our very first model, the Proton Saga was commercially launched on July 9, 1985.

The name " Saga" was chosen by Ismail Jaafar a retired military soldier and derived from " saga" (Adenanthrapavonlna) a type of seed commonly found in Malaysia. The first new market for the Proton Saga was Singapore, right across the Straits of Johor. In 1986, barely a year after the first car was launched, celebrated the official rollout of the 10000th Proton Saga. The following year, launched the Proton Saga 1. 5l saloon and Aeroback models. By then, over 50, 000 units of the Proton Saga had been produced and sold in Bangladesh, Brunie, New Zealand, Malta and Sri Lanka.

Soon after, PROTON cars were distributed in the United Kingdom. In 1988, PROTON debuted at the British International Motorshow, walking away successfully with three prestigious awards for quality, coachwork and ergonomics. PROTON progressed towards in-house engine operations in 1989. In quest to upgrade our technological prowess, a Transmission Assembly Plant was also set up in Shah Alam. In 1996, 1 millionth car was produced. This achievement was buoyed by several significant new model launches including the Proton Tiara, Proton Wira 2. Diesel and the two-door

Proton Putra, in addition to existing line up of the Proton Wira, Proton Satria and Proton Perdana. In the same year, acquired a controlling stake in Group Lotus. Even as the new millennium dawned, PROTON showed no signs of slowing down. In 2000, unveiled prototype CamPro engine at the Lotus factory in Norwich, United Kingdom. The CamPro engine is aimed to show PROTON's ability to make their own engines that produce good power output and meet newer emission standards. In 2009, PROTON EdarSdn. Bhd. and EdaranOtomobilNasionalBerhad entered into a new Master Dealership Agreement to rationalise the sales and services network of vehicles, to ensure a more efficient nationwide distribution system. In January 2010, Petronas became official sole lubricant supplier, in a 10 year agreement that covers all markets in which cars are sold. In 2008, launched the latest iteration of PROTON logo, in conjunction with the rollout of 3 millionth cars. PROTON top mark retained its diamond shape although the tiger motif and colour scheme were changed to reflect the PROTON's new direction.

To further cement successes, launched new production models including the new Saga, Waja CPS, Gen 2 CPS and the Persona Special Edition. PROTON brand is the most valuable asset for all the companies in PROTON group. It embodies a unique set of perceptions about products and services that are triggered in the minds of our public by how others judge what we do, how we behave and what we say. 1. Proton Ideology Audacious Goal - Driving Malaysia's transformation into a global leader in technology and quality. Vivid Description - Deliver innovative and superior quality products and services.

PROTON brands inspire confidence and pride. Purpose - Passionate group of people working together, creating exhilarating products and services for

global markets, synonymous with great styling, innovation and leading technology. 2. Proton Core Values Each PROTON employee practices in the Company's shared values to guide their behaviour with each other and PROTON customers. These precious values form the foundation of how they work and conduct business as follows: Quality - Ensure continuous quality improvements for customers by delivering products that are positively conceptualised and manufactured.

Customer Focus - Customers remain priority at PROTON. PROTON deliver on promises to customers' satisfaction. Innovation - Challenge the convention, always seeking new and better ways to do things. View changes as opportunities. Teamwork - PROTON trust, respect and share knowledge to foster teamwork at the workplace. Speed - PROTON have a 'can-do' attitude and will not rest until the problem is solved. - PROTON have an inherent sense of urgency in everything PROTON do. Caring - As a responsible corporate citizen, PROTON invest in safety, health and the environment. Honesty Let's be transparent and take responsibility for own actions. 3. Proton Vision Proton strives to become a successful Malaysian Automotive Manufacturer globally by being customer oriented and producing competitively priced and innovative quality products. Since inception, PROTON have gained a significant international presence bringing PROTON to 27 countries across South-East Asia to the Middle-East, China, South Africa, Australia and the United Kingdom. Over the years PROTON have increased cost-efficiency, reliability and quality through the use of automation and robotics in manufacturing processes.

The launch of Research and Development facilities has contributed a most critical activity, innovation in design and creative engineering methods. Consumers can now expect PROTON to deliver more unique, stylish and attractively priced cars. 4. The Proton Personality PROTON have challenging but unique opportunities to change people's perceptions of what stand for by asserting a clear brand personality founded on a set of brand attributes that should guide all our activities and communications. Proud - Although relatively brief, PROTON company history is one of the remarkable achievements of which PROTON proud.

In PROTON pride lies the vital energy that drives us forward and forces PROTON to take on new challenges. Reliable - PROTON committed to providing quality products and services. More important, however is receiving recognition for such quality from customers, business associates and shareholders who need to trust our ability to deliver on PROTON promise of quality Innovative - PROTON ability to innovate is also geared at developing collaborative relationships with other national projects to assist in the development of indigenous products able to compete in the international markets.

Knowledgeable - PROTON is committed to the acquisition of intellectual capability in design and technology, which will propel the nation to achieve the status of an industrialised nation. Caring - PROTON responsible corporate citizen, committed to building a friendly organisation centred on personal touch and sensitivity to customers' needs, with clear communications leading to mutual understanding. 2. Consumer Behaviour of the Target Market: Proton Holding Berhad 1. Definition on Consumer Behaviour

Consumer behaviour is the study of how individuals, groups, and organizations select, buy, use, and dispose of goods, services, ideas or experiences to satisfy their needs and wants. Consumers are exposed to a myriad of marketing and other external stimuli on a daily basis for which the marketer has to consider consumer characteristics and consumer psychology to successfully position a product or service. Consumer characteristics include; culture, social and personal factors and consumer psychology include motivation, perception, learning and memory. . Consumer Behaviour on Proton Research conducted by Hossein Nezakati^{1*}, Kem Oon Kok² and Omid Asgari³ Department of Management and Marketing, Faculty of Economics & Management, Universiti Putra Malaysia (UPM) MBA student, Graduate school of Management (GSM), Universiti Putra Malaysia (UPM) Founder & CEO, Delta Consulting Group (DCG), Tehran, Iran. The title of research is Do Consumer based-factors influence consumer buying behavior in automotive industry? (Malaysia Evidence). 3. Research Method

Using primary and secondary data as well as sampling technique. The target population on this study consists of consumers from region of Klang Valley. Most of the respondents were Malay where contributing 98 respondents, followed by Chinese were 56 respondents, Indian were 35 respondents and others races were 21 respondents. Majority of the respondents were aged 18 to 28 years old and most of them in the highest education level were bachelor degree. Some of the respondents were still student where they are attending class as part-time students.

The income level, some of the respondents were below RM1, 800 but most of the respondents were average monthly income were RM1, 800 to RM3, 000.

From the reliability results, it was found that majority respondents was beliefs them self about the quality of the car before they made decision to purchase. Factors influencing consumer behavior on local car like Proton are as follows:- a) Price consciousness- consumers will enormous search information and see the financial performance before acquiring automobile.) Value consciousness- consumers seems to be equivalently beliefs them self regarding perceptive of the import car, meaning that they purchase car based on the experience from the past where they belief which car will suitable for them. They also act like a consumer seeker whereby they will keep forward looking for the new design of the imported car. Some of the consumer beliefs which car they are prefer to drive and which car they are not prefer or dislike.) Price-quality inference - Most of the respondent believed that imported car were made by high quality material in term of interior design, more quality in term of engine performance and also more towardsscience and technology. In this results show that Malaysia consumers are concern on the value that they receive when they purchase imported car. To be intention to purchase imported car, they will consider how far the price and quality they concern. d) Risk Awareness- In this study, we also found that most of the respondent beliefs that imported car were more safety to drive due to test safety before launching new model.

Other than that, they also believe imported car were made by high quality material in term of interior design, more quality in term of engine performance and also more towards science and technology. To successfully compete in the Malaysia and international market, PROTON must emphasize the quality of the products in order to gain competitive advantages in the

market. PROTON and its group of companies must remember quality is the factors that will influence consumer's beliefs and also will influence the intention to purchase.

PROTON is also should increase their product quality in order to increase the consumer's beliefs about the products by maintaining the quality to gain competitive advantage. 4. SWOT Analysis On Proton The SWOT analysis is an extremely useful tool for understanding and decision. The SWOT analysis is an extremely useful tool for understanding and decision-making for all sorts of situations in business and organizations. SWOT is an acronym for Strengths, Weaknesses, Opportunities, Threats.

The SWOT analysis headings provide a good framework for reviewing strategy, position and direction of a company or business proposition, or any other idea. Use SWOT analysis for business planning, strategic planning, competitor evaluation, marketing, business and product development and research reports. To enable this to happen cleanly and clearly, and from a logical point of view anyway when completing a SWOT analysis in most business and marketing situations, Strengths and Weaknesses are regarded distinctly as internal factors, whereas Opportunities and Threats are regarded distinctly as external factors. Strengths | Weaknesses | | Strong brand image | Concentrated Operations | | Received various 8 awards, recently, i. eFrost & Sullivan Malaysia | Although Proton has expended to other international regions, it| | Excellence Awards 2011. (Value-for-MoneyCar of the Year (1. L and | still depends on the Malaysia market for majority of its | | above), Auto Industry Awards 2011, “ Best People's Car” for the Saga FL | revenue. | | and“ Best Value-for-MoneyFamilyCar” for the

Inspira. | | | Declining profit trend | | Strong recognition | PBT declined by 17% for FY2011.

These mainly due to economic | | Gives it competitive advantage compared to its other competitors. | slowing down and increase in its production cost. | | | Strong focus on R & D | Marginal increase in revenue | | PROTON Technology Advisory Council (PTAC) in 2011 and PROTON Technology | Sales increased by marginally at 9% for FY2011.

This | | roadmap (PTR) serves as a blueprint for the Company in shaping PROTON's | performance was the result of encouraging sales recorded by the | | car of the future. | three core models - the Saga, Persona and Exora. This is | | forcing PROTON to rethink its strategy to optimize plant | | Strong management team | utilization and if possible minimize additional required | | Had strong management in terms of qualifications and leadership, lead by | investment. | Dato' Sri Haji Syed Zainal Abidin B Syed Mohamed Tahir. Most of the | | directors have collectively 25 to 40 years of experience in their | Declining market shares | | respective field. | Proton also arrested the decline at 24% in 2010 and gradually | | increased the same to just below 30% for FY 2011. | Encouraging continuous learning | | | PROTON Critical Mass Scheme-increasing the ratio of PhD and Master | | | Holders in the company. | | | | Various types of models | | | Through the years the PROTON Group has collectively realized over 24 | | | various models. | | | | Strong staff strength | | Total staff strength close to 12, 000 employees | | | Worldwide. | | | | Strong cashflows | | | PROTON's cash and cash equivalents are maintained above the RM1 billion. | | Opportunities | Threats | | Strategic alliance | Intense Competition | | Entering into strategic agreements, acquiring assets

or organizations to | Proton faces intense competition from local manufacturer | | further strengthen its position in the industry. . e Lotus Engineering | i. ePerodua as well as international manufacturer, i. eToyota and| | | Honda, which customers' perceive better value for their money | | Collaboration with other country | in terms of quality and safety. | | Iran SAIPA, Iran to explore Iran and Middle East market. | | | | | Strong government support | Economic slowing down and volatile global market | | In 2009-Second Stimulus Plan. Current global economies slow down and the uncertainties that | | 2010- Economic & Government Transformation program and 10th Malaysia Plan| currently prevail, especially in Europe, Japan and the USA. | | and attractive loan package. This shows government participations on the | | | growth and sustainability of PROTON. Other country rules and regulation | | | Proton has to abide with the other countries' regulation in | | Accelerate Strategy into China market | order to penetrate the market. | | PROTON will upgrade the current Representative Office in Hangzhou, | | | Zhejiang Province to a Wholly Owned Foreign Entity (WOFE) in Shanghai | Increase fuel price | | which will be operational by end 2011. The automotive industry is highly affected by fluctuation in | | WOFE will allow PROTON to conduct business and pursue new opportunities | the fuel price. When the fuel price increases significantly | | in China. | people would choose other economical public transport i. e train| | | and monorail/LRT. | Technology transfer | | | PROTON has worked on a feasibility study programme with King Abdulaziz | | | City for Science and Technology (KACST), to develop the plan to achieve | | | full automotive development and manufacturing capability in the Kingdom | | | of | | | Saudi Arabia. | | 3. Situational Analysis 1. Basis of Segmentation A market segment consists of a group of customers who share

a similar set of needs and wants. The marketer's task is to identify the appropriate number and nature of market segments and decide which one(s) to target.

They are researcher define segments by looking at descriptive characteristics such as geographic, demographic, and psychographic. Other researchers try to define segments by looking at behavioral considerations, such as consumer responses to benefits, usage occasions, or brands. The major segmentation variables are geographic, demographic, psychographic, and behavioral segmentation. a) Geographic Segmentation Geographic segmentation divides the market into geographical units such as nations, states, regions, counties, cities, or neighborhoods. The company can operate in one or a few areas, or it can operate in all but pay attention to local variations.

In that way it can tailor marketing programs to the needs and wants of local customer groups in trading areas, neighborhoods, even individual stores. In a growing trend called grassroots marketing, such activities concentrate on getting as close and personally relevant to individual customers as possible.

b) Demographic Segmentation In demographic segmentation, we divide the market on variables such as age, family size, family life cycle, gender, income, occupation, education, religion, race, generation, nationality, and social class. One reason demographic variables are so popular with marketers is that they're often associated with consumer needs and wants. Another is that they're easy to measure.

Even when we describe the target market in non-demographic terms (say, by personality type), we may need the link back to demographic characteristics

in order to estimate the size of the market and the media we should use to reach it efficiently. c) Psychographic Segmentation Psychographics is the science of using psychology and demographics to better understand consumers. In psychographic segmentation, buyers are divided into different groups on the basis of psychological/personality traits, lifestyle, or values. People within the same demographic group can exhibit very different psychographic profiles. One of the most popular commercially available classification systems based on psychographic measurements is Strategic Business Insight's (SBI) VALS™ framework. d) Behavioral Segmentation

In behavioral segmentation, marketers divide buyers into groups on the basis of their knowledge of, attitude toward, use of, or response to a product.

Below are the criteria to evaluate market segments: a) Identifiable The differentiating attributes of the segments must be measurable so that they can be identified b) Accessible The segments must be reachable through communication and distribution channels c) Substantial The segments should be sufficiently large to justify the resources required to target them d) Unique needs In order to justify separate offerings, the segments must respond differently to the different marketing mixes e) Durable

The segments should be relatively stable to minimize the cost of frequent changes An ideal market segment meets all of the following criteria: a) It is internally homogeneous means the potential customers in the same segment prefer the same product qualities b) It is externally heterogeneous means the potential customers from different segments have basically different quality preferences c) It responds similarly to a market stimulus d)

It can be cost-efficiently reached by market intervention. Proton Holdings Berhad (Proton) uses demographic segmentation as their market segmentation a) Age Consumer needs and wants change with age. The marketing mix may therefore need to be adapted depending on which age segment or segments are being targeted. Proton Holdings Berhad (Proton) is targeting their customer age ranging from 18 years onwards.

It is due to the affordable price, variety of car models such as Proton Exora, Proton Saga FL, Proton Persona, Proton R3 Satria Neo, and Proton Inspira, variety of promotional installment package offered by Proton Edar as a Proton dealer. Basically Proton cars model are suitable for teenagers to an adult. b) Gender It involves dividing a market into different groups based on sex. Proton realizes that the purchasing power of women and men nearly the same. All the marketing campaigns through motorsport exhibition and advertisement done via media electronic, such as television, radio and internet had attract both gender, women and men to purchase Proton cars. With the attractive interior design, up-to-date technology such as GPS navigator install at Proton Exora and variety color schemes had attract both gender to purchase.

Besides that Proton emphasize on safety factors of their car manufacture which is desired to market their cars to women, as well as men. c) Family Size For Proton Saga and Proton Satria Neo model, the car model is suitable for small family size whereby the family consist of 2 adults and 2 children. For medium size family whereby the family member consist 4 to 5 members, Proton Persona is suitable for them and for big family size whereby it consist of 6 to 8 members in the family, Proton Exora is suitable for them. d) Life

Cycle Stage Market can be divided into different groups based on customer life-cycle. People change the goods and services they want and need over their lifetime.

Life cycle stage of customer can be categorized as:

- Bachelor Stage whereby the customer is young, still single and not living with their parents. Most of them just finished studied either at university, college or school leaver
- Newly Married Couples whereby they still young with no children and just enter marriage life
- Married couples with dependent children
- Married couples with no children living with them
- Married couples and they had retired with no children living with them
- They had retired and still unmarried

Proton car's model is suitable for every life cycle either the customer is bachelor or an adult or the customer had retired. Their car model can cater every life stage needs and wants.

For example, Proton Gen-2 had a modern design, masculine and sporty character in term of design and interior styling and also performance. The car is suitable for bachelor stage and newly married couple who loves very particular about style. Proton Exora is suitable for consumer who has a family member with size of 3 to 6 members. The price of the car is affordable and competitive. Besides that Proton Exora is also suitable for retiree. a) Generation Proton car's model has been in the automotive sector for 25 years. Proton Holdings Berhad (Proton) has produced over a dozen car models to date that have sold more than 3 million units and has exported to more than 25 countries. Proton Saga was the first Proton model.

It rolled off the Shah Alam assembly line for the first time in September 1985. The 100, 000th Proton Saga was produced in January 1989. The

second proton's car model is Proton Wira which was produced in the year 1993 followed by Proton Satria in the year 1995, Proton Putra in the year 1995, Proton Perdana in the year 1995, Proton Tiara in the year 1996, Proton Perdana V6 in the year 1999, Proton Juara in the year 2001, Proton Waja in the year 2000, Proton Arena in the year 2002, Proton Gen-2 in the year 2004, Proton Savvy in the year 2005, Proton Satria Neo in the year 2006, Proton Persona in the year 2007, Proton Saga FL in the year 2008 and Proton Inspira in the year 2010.

Until today, Proton car's model still in demand with new development of the car design, up-to-date technology and car features. According to Dato' Sri Haji Syed Zainal Abidin Syed Mohamed Tahir, Group Managing Director of PROTON Holdings Berhad during the launching Proton Saga FL 1.6 on 25th May 2011 said that the Proton Saga FL is suitable for younger generation of purchaser and car owner because the car has more attractive design, affordable price, cost-effective and powerful alternative. b) Income segmentation involves dividing a market into different income groups. Marketers of products and services found that income segmentation very useful. Companies with luxury goods and convenience services target well off consumers.

Income segmentation is also used to identify and target lower-income groups, so that they can be approached with appropriate products, prices and distribution outlets. Proton Holdings Berhad (Proton) targeted their customer with monthly salary of RM 2,000 and above. The price of the car is affordable and value for money. Proton model is targeted for people who just enter the working world whereby they need car as a mode of transportation

beside public transport such as public bus, taxi, Putra LRT, Commuter or Star LRT. Below is the price of Proton's car models. | Proton Car Model | Price Starting From | | Proton Exora | RM 59, 48 | | Proton Inspira | RM 78, 549 | | Proton Gen-2 | RM 54, 538 | | Proton Persona | RM 46, 499 | | Proton Saga FLX | RM 38, 148 | | Proton Satria Neo | RM 57, 313 | | Proton R3 Satria Neo | RM 79, 797 | | Proton Savvy | RM 39, 693. 68 | | Proton Waja | RM 56, 888 |

(Souces : [www. proton-edar. com. my](http://www.proton-edar.com.my)) c) Life Style It involves classifying people according to their values, beliefs, opinions, and interests. There is no one standardized lifestyle segmentation model.

Market research firms and advertising agencies are constantly devising new categories, which will best help target possible consumers of their client's products. As for Proton's customer, each of their car models is targeted to different life style of customer. For example, Proton Satria Neo is suitable for your generation who love style and sporty looks. The had an interactive interior design and built-in technology that attract young generation especially college and university student to owned it. d) Social Class Is the single most used variable for research purposes, and divides the population into groups based on their type of occupation as such it can be seen as a socio-economic scale.

Description of occupation can be categorized into:

- Higher managerial, administrative or professional
- Intermediate managerial, administrative or professional
- Supervisory, clerical, junior administrative or professional
- Skilled manual workers
- Semi and unskilled manual workers
- State pensioners with no other income, widows, casual and lowest grade earners

As for Proton Holdings Berhad (Proton), they will not separate their car model

purchaser according to social class. The most important element in buying the proton car model is the affordability of the customer to pay down payment and monthly installment. e) Religion Malaysia is multicultural and multiconfessional. The dominant religion in Malaysia is Islam. The large Chinese population in Malaysia practices a mix of beliefs, with influences from traditional Chinese religions such as Buddhism and Daoism.

Hinduism is practiced by the majority of Malaysian Indians. Christianity has established itself in some communities, especially in East Malaysia. It is not tied to any specific ethnic group. Other religions, such as the Baha'i Faith and Sikhism also have adherents in Malaysia. All the world's major religions have substantial representation in Malaysia. The Population and Housing Census 2010 figures show approximately these proportions of the population following these religions:

- 61.3% Islam
- 19.8% Buddhism
- 9.2% Christianity
- 6.3% Hinduism
- 1.3% Confucianism, Taoism and other traditional Chinese religions
- 0.7% Atheist
- 1.0% Other religions or no information

The majority of Malaysian Malay people are Muslim. Most Malaysian Chinese follow a combination of Buddhism, Taoism, Confucianism and ancestor-worship. Statistics from the 2010 Census indicate that 83.6% of Malaysia's ethnic Chinese identify as Buddhist, with significant numbers of adherents following Taoism (3.4%) and Christianity (11.1%). Christianity is the predominant religion of the non-Malay Bumiputra community (46.5%) with an additional 40.4% identifying as Muslims. Many indigenous tribes of East Malaysia have converted to Christianity, although Christianity has made fewer inroads into Peninsular Malaysia.

Proton car model is suitable for all religion. There is separation between religions in order to own the car. The most important element to purchase the car is the affordability and the interest of the features of the Proton car's model. f) Education Level of education that purchase proton's car can be categorized as customer who had obtain education until secondary school and who had obtain tertiary education in universities or colleges. Basically customers with tertiary education are more detailed in analyzing the car model from the car design, car features, the function of the car and the technology installed in the car. Usually the will study before deciding to purchase the car.

Basically Proton car's is suitable for everybody either the customer is educated or just finished the secondary school level such SijilPelajaran Malaysia. The car's model has not separated in term of level of education. The most important things in purchasing the Proton car's model is knowing to read and write. It is because the manual book will be given to all customer in order for them to know more about the car's model such as the technology built-in, features and the function of the car. g) Ethnicity The population of Malaysia consists of four main ethnic groups which are malays, chinese, Indians and other ethnic group in Sabah and Sarawak.

Malays and other indigenous groups are known as Bumiputras. Non-Malay indigenous tribes constitute about half of Sarawak's residents; the largest indigenous group consists of the Sea Dayaks, or Ibans, followed by the Land Dayaks, or Bidayuh. The majority of Sabah's population consists of indigenous peoples, principally Kadazans, Bajaus, and Muruts. The balance is dominated by Chinese. Basically as for Proton Holdings Berhad (Proton),

ethnic will not play an important role in targeting purchaser of proton car. Every ethnic group in Malaysia has the opportunity to purchase proton car models regardless where they come from in the state in Malaysia.

The most important thing is they attract to the design, features and the technology built-in to the car. 2. Target Market The target market is the part of the qualified available market the company decides to pursue. The Malaysian automotive market is certainly one of the more significant markets in Asia Pacific. It is estimated that over 21. 25 million vehicles have been registered in Malaysia to date with every 3 in 10 Malaysians owning a vehicle. Uniquely, Malaysia is one of the few countries in Asia Pacific to have its own national carmakers, further adding spice and flavour to this market. Malaysia is also one of the few right- hand- drive (RHD) markets in the world.

The Top 50 best selling cars in Malaysia for the year of 2011 (Up until October 2011)

Rank	Car	Total sold
1	Perodua Myvi	65,783
2	Proton Saga	63,615
3	Perodua Viva	49,636
4	Proton Persona	40,666
5	Perodua Alza	30,398
6	Toyota Vios	25,485
7	Proton Exora	18,165
8	Toyota Hilux	18,015
9	Nissan Grand Livina	10,620
10	Honda City	10,470
11	Proton Inspira	8,028
12	Mitsubishi Triton	6,974
13	Toyota Camry	6,679
14	Toyota Avanza	6,660
15	Honda Civic	6,121
16	Toyota Corolla Altis	5,178
17	Isuzu D-MAX	4,871
18	Naza (Kia) Forte	4,783
19	Honda Insight	4,085
20	Honda Accord	4,058
21	Honda CR-V	4,007
22	Suzuki Swift	3,962
23	Nissan Teana	3,876
24	Ford Fiesta	3,753
25	Toyota Innova	3,735
26	Proton Satria Neo	3,367
27	Nissan	

Navara | 3, 122 | | 28 | Hyundai Sonata | 2, 605 | | 29 | Nissan Sylphy | 2, 385 | | 30 | CheryEstar | 2, 251 | | 31 | Proton Waja | 2, 159 | | 32 | Hyundai i10 | 2, 115 | | 33 | Toyota Rush | 1, 988 | | 34 | Ford Ranger | 1, 900 | | 35 | Mercedes- Benz E- Class | 1, 857 | | 36 | Mercedes- Benz C- Class | 1, 823 | | 37 | Hyundai Tucson | 1, 757 | | 38 | Peugeot 308 | 1, 732 | | 39 | BMW 5- Series F10 | 1, 723 | | 40 | Toyota Prius | 1, 640 | | 41 | Volkswagen Golf TSI | 1, 633 | | 42 | Mazda 2 | 1, 591 | | 43 | Naza (Kia) Citra | 1, 575 | | 44 | Mazda 3 | 1, 555 | | 45 | Toyota Hiace | 1, 550 | | 46 | BMW 3- Series Sedan | 1, 513 | | 47 | Nissan Urvan | 1, 447 | | 48 | Toyota Fortuner | 1, 376 | | 49 | Volkswagen Polo TSI | 1, 298 | | 50 | Peugeot 207 Sedan | 1, 282 | Source: Malaysian Automotive Association (MAA)

3. Target market for Proton Holdings Berhad
The Proton Persona had won the Frost & Sullivan for the Best Value of Monet Car of Year 2011 with total sales of 4, 000 units per month. For the year 2011, there are 156, 487 units of Proton Persona already on the road.

Proton Persona is one of the top selling cars in the domestic market. According to the Dato' Sri Haji Syed ZainalAbidin, Proton Holdings Berhad (Proton) competition in the domestic market is so competitive. Proton is trying to take advantage these opportunities by introducing variety of new Proton car's model in order to give variety of Proton cars for their customer to choose. In Malaysia, PROTON ranked second in terms of market share at 26%. With proper sales and marketing strategy combined with product launches of the Exora MC, Saga FL and Inspira, the performance in FY 10/11 was 3% higher at 162, 012 units compared to 157, 170 units in FY09/10.

The launch of the latest addition, Proton Inspira, to the family, has allowed PROTON to capture more customers from different segments. The new

sporty sedan contributed 6% to our monthly sales, the fourth largest contributor after the Saga, Persona and Neo. Saga remained the strongest contributor making up 45% of sales, continuing this multi award winning car's reign as the most preferred amongst PROTON models especially after the introduction of the Saga FL. The introduction of Exora MC has also enabled PROTON to maintain their MPV sales performance while offering their customers a fresher look and feel. Besides that PROTON also had export their car to the international market such as China, Australia and Middle East Region.

For the year 2011, the five top performing markets were Thailand, Australia, Indonesia, Egypt and Syria. In Thailand, Proton models were gaining higher acceptance gauging from various feedback from the customers, dealers, motorshows and mass media. The Exora received accolades as one of the Top Ten Passenger Cars 2010 in the Bangkok Post. The introduction of Saga FL and improvement initiatives at dealer network will be a hopeful stream for PROTON to achieve greater success. In Indonesia, PROTON has established itself as the 12th top brand in the market and managed to increase volume by 23% in 2010, in which the Exora has again been the best selling model and has remained the core product for PROTON Indonesia.

With the current outlook and barring any unforeseen circumstances, PT PEI is expected to perform better in the new fiscal year. In 2010 China continued to record robust growth with 18.1 million vehicles sold which represent a 33% increase over 2009. The growth was mainly powered by favorable government incentives, urban economic development and China's stimulus package to boost the economy. PROTON expect China's long-term growth to

remain intact and continue in the next few years due to the current low motorization rate and buoyant economy. CAAM (China Association of Automotive Manufacturers) expects China's TIV to reach 20 million units in 2011.

To accelerate PROTON's strategy into China and serve the market better, PROTON will upgrade the current Representative Office in Hangzhou, Zhejiang Province to a Wholly Owned Foreign Entity (WOFE) in Shanghai which will be operational by end 2011. The WOFE will allow PROTON to conduct business and pursue new opportunities in China. The Satria Neo, Artiga Concept Car and Lotus Europa were displayed during the Shanghai Motor Show in April 2011 to enable PROTON to gauge market acceptance and pursue future opportunities for these products. Currently, PROTON cars are being sold under the Youngman brand through 100 appointed dealers throughout China.

Thailand's automotive industry in 2010 showed a significant increase of 46% against 2009 despite domestic political instability. The remarkable growth in the Thai automotive industry is due in part to the reduction in excise duties for small passenger cars. This reduced the prices of cars and the added advantage of credit availability was instrumental in increasing demand. The rise in petroleum prices did little to dampen the automotive market growth in Thailand. PROTON continues to make headway in the Thai market with our strategy of practical designs at affordable prices. The Proton Exora which was introduced in December 2009 was voted as a Top 10 model by Bangkok Post for the year 2010.

In 2010 PROTON also saw the introduction of Saga FL in the market, competing heads on with Eco cars. Currently, through PROTON Thailand distributor, Phranakorn Auto Sales Co. Ltd (PAS), PROTON has a network of 40 dealers (all 3S outlets) throughout Thailand. The current in service models consist of Savvy, Saga FL, Neo, Neo CPS, Gen. 2, Persona and Exora. PT Proton Edar Indonesia (PT PEI) was established on 16 August 2002 but commenced full operations on 16 March 2007, as part of PROTON's brand expansion and AMLO strategies to spread out its presence intensely and dynamically. PT PEI till end 2010 offered the Indonesian market seven attractive models to target the different segments.

The models are Savvy, launched in July 2007, that received 2 Awards for Best City Car from Majalah Mobil Motor and Auto Bild Indonesia; the Gen. 2 and Neo (also launched in 2007), with the more sporty and stylish outlook within the hatchback categories and not forgetting the highly comfortable and functional mini sedan class, the Gen. 2 Persona, and Waja (launched July 2007) and the Saga (launched March 2009). Saga has won the “ 2009 Best Budget Sedan”, awarded by Indonesia Otomotif Awards. In a country where there is a large preference for MPVs, the Proton Exora gathered the most accolades. This model has become the biggest sales contributor to PT PEI since its launch and debut at the Indonesian International Motor Show in 2009.

Exora has been awarded by Indonesia Otomotif Awards the “ 2011 Best Budget MPV”. On the dealer network aspect as of 31st March 2011, PT PEI has appointed 17 sales outlets and 30 after-sales service centres or authorized workshops throughout Indonesia and PT. PEI is looking at

expanding its sales coverage to 25 outlets in FY 2011/2012. Over this period the Australian industry volume increased by 10.5% compared to the previous year. Improved economic conditions and heavy promotion by industry competitors lead to an overall volume of 1.035 million sales. The sales result was the second highest annual volume recorded in the Australian market. Proton Cars Australia recorded a 16.5% increase in sales on the back of the improved trading environment. The main sales increase came from the successful launch of the S16 (Saga) which was overwhelmingly accepted by the Australian public.

Proton Financial Aspects	2007	2008	2009	2010	2011
Revenue	4687.3	5621.6	6486.6	8226.9	8969.9
Profit/(Loss) before taxation	-618.1	144.3	-319.2	260.9	214.0
Profit/(Loss) after taxation	-589.5	184.6	-301.8	218.9	155.6
Retained earnings attributable to shareholders	4319.2	4476.2	4174.5	4372.8	4526.4
Dividend paid	-27.5	-20.6	-82.4		
Retained earnings carried forward	4291.7	4476.2	4153.9	4372.8	4444.0

1.1 Table of Financial Summary & Highlights [pic] Graph 1.1 Graph of Sales in 5 years [pic] Graph 1. Graph of Net Income/Loss in 5 years In the financial year 2007, the weakened industry state of affairs and the cumulative impact of various legacy issues had adversely affected PROTON during the financial year under review. Domestic sales volume for the period declined by 46.8% to 88,635 units in comparison to the 166,656 units recorded in the previous financial year. PROTON's market share in Malaysia also declined to 29.7% during the financial year compared to 39.1% in the previous year, due to persistent competitive pressures within the automotive sector. Such conditions and circumstances have led PROTON to a net loss after tax of RM590 million on a turnover of RM4. billion, as compared to the previous

year's results of a net profit after tax of RM46 million on a turnover of RM7.8 billion. The Group's losses for this financial year were also accentuated by various provisions, which included right-sizing costs incurred by a foreign subsidiary, higher component and raw material costs as well as the impact of legacy issues such as additional expenditure recognized in respect of vendor claims for previous years' project development costs and settlement of onerous contractual obligations previously committed. In addition, accounting adjustments to PROTON's deferred tax assets also adversely impacted the financial results. Accordingly, for the financial year ended 31 March 2009, PROTON recorded a loss after tax of RM301. million albeit on the back of improved revenue of RM6.5 billion. This decline was largely due to the one-off exceptional provision for the impairment of property, plant and equipment and inventory write-down for certain models impacted by declining demand. Additionally, PROTON's financial performance for the second half of the financial year was also adversely affected by the accelerated amortization of dies and jigs for certain models as well as higher commodity prices, increased costs of components and raw materials which arose from higher foreign currency exchange rates, particularly, the Japanese Yen and the US Dollar, coupled with allowance for doubtful debts.

During the financial year 2011, the Group recorded a net profit of RM156 million (2010: RM219 million) which was lower than the previous financial year. The decrease was substantially due to higher losses from Lotus Group International Limited ('LGIL') whilst better contribution from the Proton cars business partly offset the decline. Growth in domestic sales volume, as well as introduction of models with better profit margins mainly accounted for the

improved performance of Proton cars. In line with its transformation plans, LGIL incurred higher branding, marketing and restructuring costs in the rebuilding of the brand and improving production capabilities respectively. PROTON ranked second in terms of market share at 26%.

With proper sales and marketing strategy combined with product launches of the Exora MC, Saga FL and Inspira, the performance in FY 10/11 was 3% higher at 162, 012 units compared to 157, 170 units in FY09/10. In terms of Service Marketing, more intense activities are being carried out to capture the “ after warranty” customers in order to promote their visits to Proton EdarSdnBhd (PESB) service centres. Better values for money packages have been introduced to boost the said segment. In addition, tactical campaigns are also implemented every quarter to induce the element of surprise and enhance a ‘ feel good’ sentiment among our customers.

5. Marketing Mix Strategies

In Malaysia for the last 10 years, the car industry was practically taken over by Proton brand. 70 percent of vehicle sold are Proton sales. Some 25 other manufacturers compete for the remaining 30 percent. The previous best selling car like Nissan Sunny was totally wipe out almost overnight since Proton huge takeover in market sales more than 10 years ago. A marketing mix consists of four items or the four basic marketing mix tools that is product, price, place and promotion. This tools make up the marketing or advertising programs a company uses to entice consumers into purchasing specific types of products. Successful strategies typically maximize each piece of the marketing mix.

Many people think a product is tangible, but a product is anything that can be offered to a market to satisfy a want or need, including physical goods, services, experiences, events, person, places, properties, organizations, information and ideas, (Kotler , 2012). In PROTON context, product refers to cars that Proton produce like Proton Saga, Proton Iswara, Proton Wira, Proton Satria, Proton Perdana, Proton Tiara, Proton Putra, Proton Savvy, Proton Gen2, Proton Persona, Proton Exora and Proton Inspira. PROTON offer unquestionably the best warranty package of any manufacturer and the most important part being the power train warranty, which guarantees the engine and transmission assemblies against failure for six years.

The PROTON Invention and Innovation Competition (PICC) which was established in 2009 is an annual events which enables PROTON staff to generate new ideas and interest in creating next generation cars and also for employee to feel that their ideas and contribution are valued by the company. In marketing mix, price is the amount of money charged for each item. Before the product is developed, the marketing strategy is formulated, including target market selection and product positioning. There usually is a tradeoff between product quality and price, so price is an important variable in positioning. Because of inherent tradeoffs between marketing mix elements, pricing will depend on other product, distribution and promotion decisions.

PROTON car has varieties types of car price according to their models offered. Generally consumers feel that the prices of PROTON's products are affordable as compared with other brands in the category with which it compete. Pricing for PROTON car will eventually affects other marketing mix

elements such as product features, distribution channel decisions and the aggressively promotion held nationwide. Place is the location at which customer purchases the product, including stores and websites. Proton has two distribution channels which are PROTON EDAR and EON. With this two distribution channels all prospect customer can easily accessible as it can be reached in all major towns in Malaysia.

Besides that PROTON also opened a branch at another countries like China, Thailand, Indonesia, Singapore, Australia and United Kingdom. China In 2010, China continued to record robust growth with 18.1 million vehicles sold which represent 33% increase over 2009. The growth was mainly powered by favourable government incentives, urban economic development and China's stimulus package to boost the economy. PROTON expect China's long term growth to remain intact and continue in the next few years due to the current low motorisation rate and buoyant economy. CAAM (China Association of Automotive Manufacturers) expects China's TIV to reach 20 milion units in 2011. Thailand PROTON continues to make headway in the Thai market with strategy of practical design at affordable prices.

The Proton Exora which was introduced in December 2009 was voted as a Top 10 model by Bangkok Post for the year 2010. In 2010, PROTON also saw the introduction of Saga FL in the market, competing heads on with Eco cars. Currently, through PROTON Thailand distributor, Phranakorn Auto Sales Co. , Ltd (PAS), PROTON has network of 40 dealers (all 3S outlets) throughout Thailand. Indonesia PT Proton Edar Indonesia (PT PEI) was established on 16 August 2002 but commenced full operations on 16 March 2007, as part of

PROTON's brand expansion and AMLO strategies to spread out its presence intensely and dynamically. PT PEI till end 2010 offered the Indonesian market seven attractive models to target the different segments.

The models are Savvy, launched in July 2007, that received 2 Awards for Best City Car from Majalah Mobil Motor and Auto Bild Indonesia, the Gen-2 and Neo also launched in 2007 with the more sporty and stylish outlook within the hatchback categories and not forgetting the highly comfortable and functional mini sedan class, the Gen-2, Persona and Waja launched July 2007 and the Saga launched March 2009. Saga has won the "2009 Best Budget Sedan" awarded by Indonesia Otomotif Awards. Singapore The new car market in Singapore is regulated by the Certificate of Entitlement quota (CEO) which is issue by the Land Transport Authority (LTA). TIV has consistently outgrown the road space development which leads the LTA to introduce a drastic change in the formulation of quota supply.

This new measure has created a drastic decline of quota supply and as a (\$18, 502 to \$47, 604) within the year 2010 which is a ten year record high. Australia Over this period the Australian industry volume increased by 10. 5% compared to the previous year. Improved economic conditions and heavy promotion by industry competitors lead to an overall volume of 1. 035 million sales. The sales result was the second highest annual volume recorded in the Australian market. PROTON Cars Australia recorded a 16. 1% increase in sales on the back of the improved trading environment. The main sales increase came from the successful launch of the S16 (Saga) which was overwhelmingly accepted by the Australian public. United Kingdom

The retail buyer segment saw a 7% decrease in sales and this would have been significantly lower had it not been supported by the government scrappage scheme which ended in the first half of 2010. High fuel prices and economic factors drove demand for smaller more fuel-efficient cars, with “ B” segment (Supermini) vehicles accounting for 37% market share and diesel vehicles increased consumer demand for these models. Promotion is the communication method companies use to inform customers about goods and services. The very first promotion Proton used was to organize the car naming contest, and it was from here that a certain brand belonging patriotism towards Proton SAGA name was instill among Malaysian.

The government itself also relentlessly pursue the promotion of Proton car on a nationwide scale with the Prime Minister launching almost every new model category in the Proton car lineage. This itself has been widely covered in all major newspaper for the benefit of market brand awareness. As in recently the Prime Minister as a prime mover in promoting PROTON cars have launched numerous world events namely the World Cup Golf '99, and Le Tour De Langkawi, awarding a Proton car to its winners. The recent achievement of Malaysian athletes who had set and broken records in Kuala Lumpur 98XVI Commonwealth Games was also not forgotten, as the athletes were each awarded a Proton PERDANA.

Besides this Proton through its marketing arm EON, have also been sponsoring world events to promote the car namely, FIFA/Coca Cola IXth World Youth Club, 34th International Youth Skill Olympics, Motor Rallying Activities and the Malaysia Thomas Cup team to restore the badminton glory. These intensive promotions especially at world function have nevertheless

promoted Proton cars to a vast majority of people in Malaysia as well as overseas. Marketing mix strategies concern either one item or the entire group. For example, product strategies may consist of selling brand new items or substituting goods for item already in the market. Prices can be extremely high to create a sense of exclusiveness or inexpensive. The place may be in-store or at special location, with wide ranging promotion using multiple methods. All four pieces of the marketing mix helps companies set the price for their goods and services.

In economic term, the best price is at equilibrium, or the price at which consumers will buy the most products and the company will make the most profit. 6. Forecasting for the Near Future To say that a lot has happened recently to the world of automotive marketing and CRM would be an understatement. Since the days when marketing managers were schooled in the marketing mix of the four " Ps" -- Product, Price, Place and Promotion -- practitioners have applied these fundamentals in time- and battle-tested ways, ever honing their craft. Marketing as we have known it is undergoing a radical transformation as the internet plays an ever-increasing role in consumers' lives. For consumers, the internet has become the primary research tool used to determine the best car to purchase.

And for Proton, it is now the path to reach and learn from these consumers -- providing automotive professionals with a vastly better way to quantify and qualify the most important aspects of consumer attitudes, shopping behaviors, vehicle demand and the conversion of demand to sales. The internet has enabled customer acquisition techniques and efficiencies that were never before possible. Furthermore, it has enhanced the quality of

intelligence and accelerated its availability. Given the power that these changes have ushered in, we can no longer rely on the traditional " P's", lest we fall victim to what marketing guru Ted Levitt referred to as " marketing myopia. " The fundamentals are no longer adequate to effectively win and keep consumers and, as such, a powerful new entrant -- a fifth 'P' -- has emerged in the marketing model: Process.

Process calls for grounding tactical and strategic marketing decisions in the insights that can be drawn from online consumer data and leveraged across the predecessor Ps. With Process, online data regarding consumer preferences and shopping behavior is used to precisely pinpoint, measure and analyze consumer activity and build more effective marketing programs that cost-effectively increase sales and profit per vehicle. With more than two-thirds of new vehicle buyers going online to research purchases before buying a new vehicle, insights derived from these data can be used to develop highly customized marketing programs geared toward consumers' specific purchasing behavior.

In short, Process, powered by online data, enables companies to quickly optimize the return on their marketing investments and drive overall marketing efficiency. It is no longer enough to place a product and price and promote it; instead, marketers must 'connect the dots' and utilize data to its fullest advantage to transform the way they identify and reach potential buyers. There