The information technology sector of malaysia

In today fast pace business world, technology plays a crucial role that helps the organization to manage their task easily. In Malaysia, organizations are increasing year to year, such as bank, college, university and etc. However, they need IT products and services to support them to run their business all the time. Due to this matter, it also implied that the market opportunities for IT products and services are absolutely high.

Besides, marketing strategy plays an important role that shows a clear picture of the direction to guide us to move to the right way.

The marketing objectives of YES are maintaining 90% of clients' satisfaction and own more than 40% of clients in Malaysia.

The target market will be more focus on educational institutions and large organizations which have multiple locations and having training purpose.

In positioning, YES are needed to position their IT products and services in the market with efficient and effective features in the mind of the users.

YES also need to come out with strategies to satisfy their customer's need with the resources that are available.

Marketing mix plays an essential role. It assists YES to come out with suitable tactics and programs that support product, pricing, distribution, and marketing communication strategies.

Marketing research plays an important role. It helps YES to gain necessary information and further understanding of the development, implementation and evaluation of marketing strategies and programs.

The financial objectives of YES are increase earnings by 12% annually and achieve revenue growth of 8% per year.

SITUATION ANALYSIS

In Malaysia, there are lots of competitors but their target market are not directly interact with YES, such as[1]SNS Network, Genesis IT Solutions & Services, CNT Solution[2]SDN BHD,[3]Sistem RKK SDN BHD (SRKK), Silicon Communications SDN BHD and etc. The target markets that they focus are such as bank, factory, hospital, restaurant and etc. However, base on the research that I get from the internet sources, there are lots of key competitors in the market such as Coggno, QuickSchools. com and etc. Therefore I will discuss 2 companies which are most probable threaten to YES and yet we should concern, such as Litespeed Education Private Limited and Elegant MicroWeb Private Limited.

Market Summary

In today business world, technology plays a crucial role that helps the organization to manage their task easily. Via sources given from the internet, organizations are increasing and expanding year to year in Malaysia, primarily the educational institutions and large organizations have multiple locations for training purpose. In addition, they need IT products and services to support them all the time in order to run their business. Based on the freemalaysiatoday. com sources given, the total number of institutions is about 627 which are included University (44), University College (25), Polytechnic (21) and College (537). Based on thestar. com. my there are around 10, 000 primary and secondary schools in Malaysia. Besides that,

large organizations are such as Genting Group, AirAsia Berhad, Malaysia Airlines System Berhad, ASTRO All Asia Networks plc, CIMB Group Holdings Berhad, Maxis Communications Berhad,[4]Telekom Malaysia BHD and etc.

SWOT Analysis

SWOT Analysis

YES

Product

Strengths

More economical due to the strong currency rate from $AUD to $RM.

Follow ISO standard & more reliable.

Weaknesses

No experience in managing overseas market.

Expensive.

Opportunities

Strong capital supports due to the strong currency.

Threats

Too many competitors in the market.

Economic depression, not every organization could afford to buy.

Competition

Key competitors:

Litespeed Education Private Limited was founded in 2000 and is based in Singapore. The Company is also listed in Malaysia with[5]MSC status. Based on their websites source given, they have worked with partners such as Ministries of Education, MNCs, Publishers and System Integrators to develop and execute projects in various countries in Asia. Besides that, they also provide the similar product with YES, such as School Management System (SMS), Learning Management System (LMS) and etc. Litespeed Education is always attempt to develop new ideas and technologies to enhance teaching and learning. They states that their founding principle, " A Smarter and Faster Way of Learning" are always motivate them in their continuous research and development. Litespeed Education are also always attempt to achieve their objectives via adding more value to the customers and provide variety of products designed to meet the different needs of each user in their E-Learning journey.

Elegant MicroWeb Technologies Private Limited was incorporated in 2001 and their office was in India. They also have been awarded ISO 9001: 2008 for Quality Management System in Design, Development, Sales, Installation and After Sales Services of Software Systems. They work with clients around the world, providing software products and services using the most useful and strong web technologies and software tools. Based on their websites source given, they have a global client base with customers in the U. K., the U. S., Japan, the Middle East and Far East, Europe and India. Besides that,

they also offer similar product with YES such as School Management System (SMS) and a wide range of products including Corporate Performance Management, Business Intelligence, Automatic School Timetable Software and etc. They also states that their customer satisfaction ranking is brilliant and they have served some clients for nearly ten years. In addition, they are strongly believed in mutual development and teamwork with team and the clients and partners. They are also set their vision, " Deliver the Value of Technology" to motivate all of their team members. They are always tried to achieve their objectives via deliver value, most relevant, advanced technologies and best-in-class products and services to the clients continuously and for all projects.

Product Offering

Student Management System (SMS) is a software application. They are also called School Management System (SMS), Student Information System (SIS) and Student Record System (SRS). It is to assists the educational institutions to manage students' data in professional manner. Generally the main function of the system are managing records such as student history, assignments, student details, fees, attendance, exam result, semester timetable, subject list and etc. Besides that, it also enables the students and their parents to keep informed throughout the year to view accurate and specific data such as subject list, comment from lecturers, online result, disciplines and etc.

Learning Management System (LMS) can be known as a software application or Web-based technology. Sometimes, they are also called Course

Management System. It can be used for employee training of any organization and particularly to the students of the educational institution. It enables them to learn through online training by using computer or laptop regardless of area and distance. Typically, LMS provides employees and students that deliver courseware plus e-tutoring over the Internet. Besides that, LMS also can combine with other tools to provide competences such as e-learning[6]courseware, share materials, threaded discussions, practice exercises, video streaming services, discussion forums and etc.

Distribution

On the distribution aspect, YES will use direct channels through the internet and indirect channels via sales representatives to distribute the products and provide services to the clients. Through the internet, it can provide necessary information to the potential clients who are interested and they can buy direct from YES by placing orders online. After placing orders online, there will be van vehicles to deliver the products to them. Besides that, sales representatives are the division of YES. It will base on certain requirements such as communication, discipline, education and provides special training to qualify as a sales representative. Moreover, they were managing the relationship with the clients on behalf of YES and showcases and sells products and provide services to the potential clients around the Malaysia. Instead of using sales agent, it will be more reliable and easily to handle the task to stick with the arrangement and they will be more focus on the products in selling to the target market.

Marketing Strategy

Objectives

In order to improve their business performance and being more competitive in the market, I have set certain objectives as guidance and execute stick to the plan. Since, YES is still very unfamiliar to the Malaysia environment, so that it will be suggested to achieve objectives which are achievable and not too far in the future. Objectives are included maintain minimum 90% of clients' satisfaction and hold more than 38% of clients in Malaysia within 2 years time.

Client Satisfaction is the key performance indicator that is essential to our success in business, whereas clients base are important so that YES can survive in the market. The clients must be satisfied with something such as outstanding of service, products and services, creativity of solution that bring value to the client base, charge them reasonably and appropriately. Therefore, the stuff will generate consistently such as profits, cash flow, brand awareness and etc.

Target Market (s)

In Malaysia, population growth is increasing year to year. Based on the[7]Index Mundi sources given, it stated that the population in Malaysia estimated in July 2010 which is approximately about 28, 274, 729 more than year 2009 which is approximately about 25, 715, 819, especially the age group from 0 – 14 (31. 4%) and 15 – 64 (63. 6%). It shows that the young populations are increasing and need to invest more schools, colleges and universities. In 21st century, technological advancements in the field of education are fast evolving. It helps to improve and strengthen education

standard and track the students' learning progress to allow the students be trained effectively. It also assists the students to take control and manage their own learning through on-line in anytime.

Besides that, the young adult and adolescence are increasing and it shows that there will be more people probably start to go to work after studies. In today fast pace business world, every organization is being more competitive in order to survive in the marketplace. The most usual strategy they will do which is invests in the development of intellectual capital such as human capital. Generally, organizations will provide class training and courses for the employees to enrich their understanding. So that in the future they can help the organizations to generate more income and profit. In 21st century, e-learning is very suitable for the organization to provide training to the employees due to the technology development. It can save time and save cost and e-learning assures similarity of training and content presented. As the number of people being trained increases, it becomes more cost effective to develop an e-learning material than to send people to class and immediate access to training.

Hence, based on the population it shows that the market is growing and it also shows that there will be a lot potential in the business market.

Positioning

YES is a leading IT solution provider that based in Australia. In order to be known for the reliability of company and products in business market, YES has to follow certain Australian values which are appropriate to implement in Malaysia, such as mutual respect, commitment to law, tolerance, fair play

and consideration for those in need and pursuit of the public good. It is to show they are very responsible and pay attention to serve their clients and understand the public needs.

Besides that, YES also has to position their products and services as high quality, social responsibility and business ethics which attempt to achieve and follow ISO as their standard. It is to create an impressive image and characteristics on the business market for YES such as trust, quality standard, brand awareness, reliable and confidence to get the clients' attention. On the educational institutions and large organizations market, YES has to follow the ISO standard to provide the best quality of products and services based on the clients' need to satisfy them.

Strategies

The target markets that YES focus is on large organizations and educational institutions. In order to sell the products, YES has to plan some strategies such as using sales representatives to promote the product, advertise through the internet, increase network circles, rewards and increase commission basis and etc.

In order to promote the product efficiently and effectively, the sales representatives have to go through certain training such as communication skills, selling methods, understanding about products and services, human behavior, listening skills and etc. Subsequently, they were going for companies visit to demonstrate the products and services and sell it to them.

YES also has to do some advertisement through internet such as Facebook, Google and etc. Based on the target market, they have to form different type of videos and post on YouTube to demonstrate its product with different features and functions. Besides that, they also can provide the details of the organizations and email.

On the other hand, I will encourage the sales representatives to increase network circles because people who recognize you and your services it will advertise you for free and help the business to grow. It will be a huge potential it carries. It can be implement social relationship and network, association club, internet (e. g. Facebook, Twitter) and etc. Besides that, in order to boost up the sales, YES will provide rewards and increase commission basis to the sales representatives who being achieved the sales target to motivate them.

Marketing Mix

In order to be more competitive, I will implement some tactics and programmes that support product, pricing, distribution, and marketing communication strategies.

On the product aspect, the product functions cannot be too complicated or too many functions otherwise it will not be user friendly and create difficulties to the user. So that YES has to eliminate the unnecessary functions and provide the features and functions which are related and benefit to the clients' purpose. Besides that, products can be upgraded with extra relevant features and functions which are easily to use.

On the pricing aspect, I will set the price higher than competitor because of the quality and product aspects compare with the competitors. The products are set to follow the ISO standard as the key indicator. Besides that, products can be upgraded to latest version without buying a new one and it can combine with other systems deployed as an integrated system. Therefore, the duration of the life of product will be long lasting and reliable to use.

On the distribution aspect, I will set up a branch office in Malaysia which is near the educational institutions and organizations. It will be much easier for the technical staff to serve the clients efficiently and effectively. Besides that, I will also set up computers for the staff to provide services and maintenance through online to the clients which are long distance from us. Clients who buy direct from YES by placing orders online, the team member will deliver the products by using our own van vehicle within the duration time.

On the marketing communication strategies aspect, the terms will directly come with advertising. I will probably encourage the sales representatives to increase network circles to advertise for free for the products, it can be implemented through social relationship and network and etc. Besides that, I will strongly implement and advertise through internet in certain well-known websites so that it will be easily access to YES, such as Yellow Pages, Google and Facebook and also form some videos provide demo for the products on YouTube.

Marketing Research

Based on research that I gain from Malaysia market, the majority of the organizations and educational institutions are also agree to use technology to support their field to speed up the business operations. The impact is ultimately will prove both far-reaching and long-lasting. Besides that, there are only minor organizations disagreeing and not taking sides with that. Additionally, the minor organizations who disagree to use technology to speed up the business operations, it is because their structure is small and paperwork is adequate to deal with it.

The organizations and educational institutions are more prefer on the products which are user friendly features, appropriate functions, speedy to react, ISO quality standard, long lasting and reliable and etc. But, there are some educational institutions and organizations are not willing to buy the product because certain reasons such as price too expensive, too many option, maintenance fees high, prefer old method and etc.

The price for the stand-alone systems cost around RM85, 000 and the integrated system cost around RM140, 000. The price of the systems is expensive and not every organization could afford to buy the expensive systems to support their business. In addition, every year the maintenance fees are quite pricey for them which cost around RM35, 000 in each year.

Besides that, economic depression was also giving them a big threat and causes some of the educational institutions and organizations not to spend more. They may find other options to replace the products, such as self develop and design the system, hire a few programmers by using low budget to design a system and buy the products from minor competitors. Hence, the

billing may just cost them around RM25, 000 to RM40, 000 and more economical.

Besides that, there are some educational institutions and organizations are still refusing and insist not to use technology due to the unfamiliar control and working style. It will be time consuming and complicated for them to learn. They also may feel technology doesn't help them to improve the speed of operation compare with old method.

Financials

Marketing Expenditures

Budget
Advertising through Yellow Pages, Facebook and Google.

RM 5, 000 – RM 10, 000 per month

Marketing Operations

Budget
Wages – 3 staffs and 7 sales representatives

RM 25, 000 – RM 30, 000 per month

Water and Electricity

RM 2, 000 – RM 5, 000 per month

Set up a branch office (rental fees)

RM 10, 000 – RM 20, 000 per month

Petrol Fees

RM 700 – RM 1500 per month

Total:

RM 37, 700 – RM 56, 500 per month

Marketing Operations

Budget

3 van vehicles

RM 150, 000 – RM 200, 000

Set up 10 computers in the office

RM 12, 000 – RM 17, 000

Office Stationery

RM 1, 000 – RM 1, 500

Other office equipment (e. g. photocopier, telephone, printer, fax machine and etc.)

RM 30, 000 – RM 50, 000

Total:

RM 193, 000 – RM 268, 500

Marketing Schedule

Marketing, Place, Title and Delivery Method

Month:

1st

2nd

3rd

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Week:

1st

2nd

3rd

4th

5th

1st

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Company Visit (along with catalogue)

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YouTube (demo)

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Web Advertising – Facebook & Google

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Web Advertising – Yellow Pages

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Key: âˆš – Target to execute.

Controls

There are certain ways which can measure the results, such as talk to them personally and ask for the feedback, numbers of enquiry, suggestion box, numbers of calling to ask for information, check the click and view times of the ads through Facebook and Google, e-mail replied and etc. It can assist YES to measure the results goes right or wrong. After that, the performance variation or problem must be identified and it may need to take corrective actions. If the advertisement in Yellow Pages is not effective and cannot grab the attentions, then the advertisement has to remove and change to another website, such as Yahoo. Besides that, if the e-mail is not helpful, then it should change it to mail delivery and contain with flyers and etc.

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