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THE FACTORS TO CAPTURE NEW CUSTOMER OF TRADITIONAL DESSERT

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A project report submitted in Fulfillment of the requirement for the award of
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DECLARATION

'I declare that thesis entitle 'The Factors To Capture New Customer Of Traditional Dessert' is the result of my own research except as cited in the references'

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ABSTRACT

This research is to focus on the factors to capture new customer of traditional dessert. In order to make this traditional dessert famous amongst people in Malacca, the company needs to know about how to attract the new customer. As for that, a study was conducted to identify about the factors that affecting capturing new customers where the independent variables or this research are price, product, place and also promotion. The population of this research had been randomly respondent who has experienced having this traditional dessert. The appropriate questions had been distributed and the data collected had been shown in the figures and tables. Besides, the data had been analyzed using Statistical Package for Social Sciences (SPSS) which using reliability analysis, correlation, and also regression. Finally, the implication for future research there are more sources of data and research studies. To conclude, this research was expected to help the company to attract their new customer of traditional dessert by having all the data provided.

Keywords: Capturing New Customer, Price, Place, Promotion, Product.

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LIST OF ABBREVIATIONS AND SYMBOLS

%	= Percentage
&	= And
≤	= Lower with and than
α	= Cronbach Aplha
SME	= Small and Medium Entrepriase
NEM	= New Economic Model
SMB	= Small and Medium – Sized Business
4P	= Marketing Mix
SPSS	= Statical Package for Social Sciences
IV	= Independent Variable
DV	= Dependent Variable
R ²	= R Square

CHAPTER 1

INTRODUCTION

1.1 Background of Study

Entrepreneurship is one word that is often discussed in the contemporary era. Today's entrepreneurs should emphasize technology to remain competitive with other entrepreneurs. The capacity and willingness to develop, organize and manage a business venture along with any of its risks in order to ensure that a profit. The most obvious examples of entrepreneurship are the starting of new businesses. According to Steve Gordon (2010), entrepreneurship it is widely acknowledged that the field of entrepreneurship lacks a single unified and accepted definition for the term "entrepreneurship".

Not surprisingly, different theories resulted in a conflicting array of definitions describing entrepreneurship in terms of dynamic change, new combinations, exploiting

opportunities, innovation, price arbitrage, risk, uncertainty, ownership, new venture formation, non – control of resources, asymmetries of information, superior decision – making, personality traits, monopoly formation or something else. What was previously viewed as contradictory definitions can now be seen to describe complementary lexicon terms or subdomains entrepreneurship such as corporate entrepreneurship, social entrepreneurship or opportunity entrepreneurship.

This sub – domain that arises from different theories is organized into a coherent lexicon using simple classification taxonomy. A wide array of subdomain terms is thus organized into a lexicon that can be used to describe the distinctive aspects entrepreneurship.

Economy is one of the elements that differentiate developed country with the other. Allocation of the source that presents in the country play a major part to determine whether the country can enhance their economy and change the lifestyle of the citizen. This is explained by the fact that, Cendol Seri Serkam is one of the small and medium businesses registered under the Malaysian SMEs. SME works to support the industrial base of the country.

This is to be avoided the dependence of the sensitivity of the global economy. SME is to develop an integrated and comprehensive, especially in a period of economic relations. SME is at the core and engine of domestic investment in the economy of Malaysia. The role and contribution of SMEs are becoming increasingly important in achieving Vision 2020 and the country as an industrialized nation. Even SMEs can serve as the foundation, the backbone and the pillar in fulfilling the vision and ambition of the country's economic development after 2020. A plan of the enterprise or the Small and Medium Enterprise (SME) for the period 2010 to 2020 will be designed and included in the New Economic Model (NEM).

1.2 Traditional Dessert – *Cendol*

Endow popular in Southeast Asia, and Indonesia is a common drink, because during the day we all look almost cendol streets. Cendol is also popular as a culinary entering the fasting month of fasting opener. Cendol is the traditional dessert originating from South East Asia which is still popular in Indonesia, Malaysia, Singapore, Vietnam, Philippines and southern Thailand (where it is called launching).

Cendol is a typical Indonesian drink made from rice flour, served with grated ice and liquid brown sugar and coconut milk. The taste is sweet and savory drinks. In Sundanese beverage arena is known as Cendol while in Central Jawa known as ice dawned. Evolving popular belief in Indonesian society that the term “Cendol” may very well have come from the sensation that is felt when the grain cendol taste of Thai words “Chorn Doli” which means “please”. Rice flour mixed is natural dyes originally from pandanus leaves, but is now used artificial food coloring. In Sundanese Cendol prepared from sieving rice flour collared with sage leaves with a sieve to obtain a rounded oval shape which tapers at the ends.

1.3 Problem Statement

People nowadays are not very familiar with a traditional dessert, especially ‘Cendol’. Not all of us have the experienced drinks this kind of dessert. However, in order to make people aware and know about this dessert there are lots of methods had been used to commercialize this kind of drink. At a certain place, this dessert is very popular where at the Malacca state it is such a common behavior to have this dessert during the hot weather.

The combination of its ingredients in itself makes the uniqueness of this dessert become one of the most popular desserts in town.

This dessert contains coconut milk. Jelly noodles produced from rice flour with green food coloring (usually derived from the Pandanus leaf), shaved ice and palm sugar makes this dessert very famous amongst Malacca's people. In accordance, there are lots of outlets or shop lot, which served this dessert to ensure that their customer can have this dessert while having their meal or just wants to take some refreshments. Somehow, there is still an outlet which cannot capture its new client due to lack of promotions and sales. So, this research topic had analyzed the factors in capturing new customers in choosing the product of 'Cendol Seri Serkam'.

1.4 Research Questions

In this research, the focus is the factors to capture new customer in the state of Malacca for traditional dessert: *Cendol Seri Serkam*. So, the research question constructed as:

1. What is the relationship between strategic place and capturing new customers of traditional dessert?
2. What is the relationship between quality of product and capturing new customers of traditional dessert?

3. What is the relationship between promotion activities and capturing new customers of traditional dessert?
4. What is the relationship between acceptable price and capturing new customers of traditional dessert?

1.5 Objectives of the Study

The objective of this study is the factors to capture for new customers in the state of Malacca. This study also investigates;

1. To identify the relationship between strategic place and capturing new customers of traditional dessert.
2. To investigate the relationship between quality of product and capturing new customers of traditional dessert.
3. To examine the relationship between promotion activities and capturing new customers of traditional dessert.
4. To investigate the relationship between acceptable price and capturing new customers of traditional dessert.

1.6 Scope of Study

The scope of study is on how to attract a new customer who is in Malacca trying this cendol Seri Serkam. Not all this cendol drink is satisfying the customer, that's why Cendol Seri Serkam is trying to multiply cendol's flavor to every customer. In addition, the packaging is also important to demonstrate from another of the other outlets. At this time, the most effective packaging and fast is to use a plastic cup cover machine. The packaging had been more clean and easy to use anywhere. Customers today are eager to try new things, or variations on the drink. So, this study had examined the factors to attract new clients to diversify flavors and packaging to customer Cendol in Malacca.

1.7 Significance of Study

This research is a study that's given some practical advantages and considers the extent of demand or attraction to Cendol Sri Serkam for the public. Therefore, the research is to know about how to attract customer to try the Cendol Sri Serkam. This is because, the main attraction to attract consumer is to diversify the mix of the traditional dessert. Besides that, the cheap price and good quality will attract customers. This is important in order to gain a business and will be a new point to open more branches in Malacca.

The results of this study lead to changes and had made one of its major franchises in Malacca in Cendol industry. This case had been a competitive advantage with the existing beverages franchise in Malaysia, such as Cool Blog and Each A Cup. Some major clients often ask to open more outlets for Cendol Seri Serkam around Malacca so it is easy for them to acquire this dessert.

1.8 Summary

Cendol is a traditional dessert of the most popular among all people, regardless of age and race on. That's why, cendol seller should always strive to expand and intensify this dessert not to be swallowed by the change in time. To make changes cendol seller shall see in terms of flavors and tastes of the customers today. Clients today prefer to innovations available on the cendol core. For example a mixture of corn, glutinous rice, beans and pearl in the cendol. The research questions and also the research objectives had helped to answer the statement above.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

The writing Centre Madison (2012) State that the meaning of Literature Review is the format of a literature may vary from discipline to discipline and from assignment to assignment. A review may be a self – contained unit – an end in itself – or a preface to and rationale for engaging in primary research. A review is a required part of grant and research proposals and often a chapter in theses and dissertations. Generally, the purpose of a review is to analyze critically a segment of a published body of knowledge through summary, classification, and comparison of prior research studies, reviews of literature, and theoretical articles. *Cendol* draw scum is one of a registered business under the SME. SMEs are small and medium enterprises (SMEs) are small and medium – sized Businesses (SMBs) are companies with personnel who are CERTAIN Numbers fall below limits.

The abbreviation "SME" is Used in the European Union and by international Standard and Poor Organizations as the World Bank, the United Nations and the World Trade Organization (WTO). Small companies with large enterprises outnumber by a wide margin and also employ many more people. SMEs is also said to be a showroom for driving Innovation and competition in many economic sectors.

2.2 Marketing

The definition that many marketers learn as they start out in the industry is putting the right product in the right place, at the right price, at the right time. It's only just need to create a product that a particular group of people wants, put it on sale some people visit regularly, and price it at a level which matches the value they feel they get out of it, and do all that at a time want to buy.

There's a lot of truth in this idea. However, a lot of hard work needs to go into finding out what the customer wants, and identifying where they do their shopping. Then you need to figure out how to produce the item at the price that represents value to them, and get it all to come together at the critical time.

The marketing mix is a good place to start when you are thinking through your plans for a product or service, and it helps you avoid these kinds of mistakes. The marketing mix and the 4P's of marketing are often used as synonyms for each other. In fact, they are not necessarily the same thing. "Marketing Mix" is a general phrase used to describe the different kinds of choice organization has to make of the whole process of bringing a product or service to market.

2.3 Franchise

According to Malaysia Franchise Association the definition of a franchise is a method of marketing and distributing based on two parties' relationship; that is the franchisor (the owner and granter of right) and the franchisee (recipient of right) relationship. The right is granted for the purpose of running the business by using the trademark or trade name based on a specific system, at a specified location or area within a specified period of time. Furthermore, Franchise Act 1998 (Section 4) – a contract or an agreement, either express or implied, whether oral or written, between two or more persons by which the franchisor grants the franchisee the right to operate a business according to the franchise system as determined by the franchisor. Business format franchises, on the other hand, not only use a franchisor's product, service and trademark, but also the complete method to conduct the business itself, such as the marketing plan and operations manuals.

2.4 Overview of Capture New Customer

Finding new customers is a fundamental challenge for every business. If you're looking to attract new business or service new clients, here are ten creative tips to help turn prospects into paying customer. The right step in targeting the capture new customer is:

1. Give something away.

Every time we “give away” something, we get lots of additional prospects, which directly lead to new business. With our experienced, the larger the prize, the more new clients we get in returned. Not only do we have a lot of

fun giving away something, but we get new clients in the door - isn't a win - win.

2. Pay it forward.

As a new business owner with a small marketing budget who does a significant amount of cold calling, I believe in building relationships by “paying it forward” on a personal level as well as business level. I get my share of hang ups on cold calls, but I'm astounded by the number of buyers with whom, after a several minute phone call with a complete stranger, I develop a connection and find an opportunity to help. It can be as simple as offering free samples for our affiliate program, sharing a media contact, suggesting a web designer or even sharing a favorite recipe. Quite often, I've concluded such calls with a new business lead, a sale, and a few months down the road possibly a new friend.

3. Take an interest.

Entrepreneurs have forgotten the strategies that have stood the test of time. Networking is still the best source of clients for my company. Referring to networking in the sense of looking to help others grow their business and take a personal interest in their lives.

4. Hold a contest.

I create a contest on my blog offering up a chance to win one of my services and have people comment to enter. Then I offer extra chances to win by having them share the contest with their friends via Twitter and Facebook. After awarding the prize, I contact those that were interested in the contest and offer

them an exclusive discount on my services. I make sure to follow – up and keep them updated about future events or services. It’s a great way to generate a list of people in my target market who are interested in my product.

2.5 The Element in the Capture New Customer

Shephyken (2010) the definition of customer preference refers to how customer selects goods and services in relation to factors like taste, preference and individual choices. Factors such as the consumer’s income and the price of the goods do not influence the customer’s preferred products or services. Customers are informed and remaindered about the products and are requested and persuaded to purchase their products. Such communication may be made there along the product or well in advance of the introduction of products into the market. Such communication becomes necessary when a new product of service is introduced in the market or an old product is improved or it simply to increase the sales of the products. With this purpose, *Cendol Serkam* draws on innovation to make a difference in terms of flavor to attract new customers to sample this dessert. Ingredients are key in Cendol is Cendol, coconut milk, and sugar Malacca, retailers must put other ingredients such as honey *Cendol*, Pearl, corn, etc.

According to Business Dictionary (2000) the definition of reasonable price is a commercial decision reached jointly between a buyer and seller, reflecting a judgment influenced by the economic realities of the parties. Generally, it is high enough to cover the seller’s costs and a reasonable margin, but not high enough for the seller to realize monopolistic profit. Price that provides the best total value comprising of availability, delivery time, fitness for purpose, payment terms, quality, quantity, and service. A

reasonable price is not necessarily the lowest price. Therefore is, quality must be suitable Cendol prices. Customers do not mind the expensive price for Cendol, however, it should be the quality and quantity of the Cendol can satisfy him.

Business Dictionary (2010) state that the meaning of marketing strategy is means an organization's strategy that combines all of its marketing goals into one comprehensive plan. A good marketing strategy should be drawn from market research and focus on the right product mix in order to achieve the maximum profit potential and sustain the business. The marketing strategy is the foundation of a marketing plan. Cendol draw scum should do more promotion and sales to introduce more people in Malacca. This is because, promotion and sales of good and appeal to the public to try to view this *Cendol*. Sales promotion is virtually anchored in business.

According to George E. Belch (2007) the definition of Sales promotion is “a direct inducement that offers an extra value or incentive for the product to the sales force, distributors, or the ultimate consumer with the primary objective of creating an immediate sale. Sales promotion involves some type of inducement that provides an extra incentive to buy. The incentive is usually the element in a promotional program, it may be a coupon or price reduction, the opportunity to enter a contest or sweepstakes, money – back refund or rebate, or an extra amount a product.

Leon G. Schiffman (2007) state that the price is so often considered an indicator of quality; some product advertisements deliberately emphasize a high price to underscore the marketers' claims of quality. Consumers rely on the price and brand name when evaluating the product's prestige and symbolic value and use more concrete attributes of a product, such as performance and durability, to judge its overall performance. For these reasons, marketers must understand all the attributes that customers use to evaluate a given product