

## APPROVAL

‘I hereby declared that I read through this thesis and in my opinion that this thesis is adequate in terms of scope and quality which fulfill the requirements for the award of Bachelor of Technology Management (High-Tech marketing)’

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EFFECTIVE MARKETING STRATEGY IN FINANCIAL CONSTRAIN

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**DECLARATION OF ORIGINAL WORK**

“I hereby declare that this project paper is the result of my independent work except the summary and experts that have been specifically acknowledgement”

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Date : .....

## **DEDICATION**

Special thanks to:

My beloved parent

Siblings

Friends

My supervisor:

Dr Siti Norbaya Binti Yahaya

For all the spirituals and moral support that had been given to me all the time.

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## ABSTRACT

Marketing strategy is the most important things when a company wants to make a business in the market. Marketing strategy is a process or model to allow a company or organization to focus limited resources on the best opportunities to increase sales and thereby achieve a sustainable competitive advantage. Twenty to twenty-five percent of the expenditure of many firms related to the marketing strategy (David W. Stewart, 2009). So, the most activities in marketing strategy that have financial constrain is expertise, channel and research and development (R&D). So in the making of marketing strategy have to use big amount of money. So the manager of the company must know how to maintain the marketing strategy became effective but in the low cost of budget. So this research is to identify which financial constrain will makes the marketing strategy became effective in financial constrain condition. The research was completed by using quantitative method and analysis method was completed by using Pearson correlation to measure the relationship between independent variables and dependent variable. Regression analysis was using for hypothesis testing. It is believed that this research paper will beneficial to the industry practitioners and academicians to be served as future reference.

**Keywords:** Effective Marketing Strategy, Financial Constrain, Expertise, Channel, Research and Development.

## ***ABSTRAK***

Strategi pemasaran adalah perkara yang paling penting apabila syarikat ingin membuat perniagaan di pasaran. Strategi pemasaran adalah proses atau model untuk membolehkan syarikat atau organisasi memberi tumpuan kepada sumber yang terhad pada peluang terbaik untuk meningkatkan jualan dan dengan itu mencapai kelebihan daya saing yang bagus. "Kami mempunyai hasil yang cukup baik untuk melihat pulangan atas peningkatan strategi promosi dan harga. Walau bagaimanapun, kami mempunyai kejayaan yang sangat terhad dengan strategi produk, pengiklanan dan pengurusan pengedaran dan akibatnya adalah di mana kami menghabiskan kebanyakan dolar pemasaran kami "(Bucklin & Gupta, 1999). Dua puluh hingga dua puluh lima peratus daripada perbelanjaan kebanyakan syarikat adalah berkaitan dengan strategi pemasaran (David W. Stewart, 2009). Jadi, dalam membuat strategi pemasaran yang berkesan perlu menggunakan sejumlah besar wang. Oleh itu pengurus syarikat mesti tahu bagaimana untuk mengekalkan strategi pemasaran menjadi berkesan tetapi dalam kos yang rendah. Jadi kajian ini adalah untuk mengenal pasti aktiviti strategi pemasaran mana yang akan membuat strategi pemasaran menjadi berkesan dalam keadaan terkawal kewangan. Penyelidikan ini telah selesai dengan menggunakan kaedah kuantitatif dan kaedah analisis telah diselesaikan dengan menggunakan korelasi Pearson untuk mengukur hubungan antara pemboleh ubah bebas dan pemboleh ubah bergantung. Analisis regresi menggunakan ujian hipotesis. Adalah dipercayai bahawa kertas penyelidikan ini akan memberi manfaat kepada pengamal industri dan ahli akademik untuk dijadikan rujukan masa depan.

**Kata kunci:** Strategi Pemasaran yang Berkesan, Kekangan Kewangan, Kepakaran, Saluran, Penyelidikan dan Pembangunan.

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**LIST OF ABBREVIATIONS**

%	=	Percentage
SPSS	=	Statistical Package for Social Science
PSM	=	Project Sarjana Muda
MRA	=	Multiple Linear Regression
RnD	=	Research and Development

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## CHAPTER 1

### INTRODUCTION

#### 1.1 Background of the study

Marketing strategy is the most important things when a company wants to make a business in the market. Marketing strategy is a process or model to allow a company or organization to focus limited resources on the best opportunities to increase sales and thereby achieve a sustainable competitive advantage. It also the high level rules that direct the marketing activities. Marketing strategy also a key to achieve a great marketing plan that will consist of a set of specific actions required. But to make that action to do in marketing strategy will be have a limitation which is budget and time. So the constrain in making of best marketing strategy is financial of a company or organization. “We have pretty good result in looking at return on promotion and price tactics. However, we’ve had very limited success with product strategy, advertising and distribution management and unfortunately these are the areas where we spend the most of our marketing dollar” (Bucklin & Gupta, 1999).

But, there are still have company that never solve the constrains in financial to make their marketing strategy more relevant and great. So the research is been carried out to study about the financial constrain in marketing strategy. Marketing strategy aims to improve the operational performance of the company which they can create a new strategy to makes the marketing strategy became stronger. The researcher found that to know the performance of the company base on their financial situation. Thus, the management of the financial is very important for a company to maintain and increase their performance. Then, the company need to counter the financial constrain of their company and manage them well.

## **1.2 Problem statement**

Nowadays, many organization or company aspects that financial of their company are not important. The cash flow of their money will not been writing it up. Marketing strategy involve sales tactics of the business, advertising and promotional of the product (Roda Sabay, 2012) Beside, many activities or work of marketing strategy of their company are waste of time and money. In another hand some of them are had a limitation of budget. Thus, what is the best to handle the financial constrain in the making of the best effective marketing strategy. This is because marketing strategy is very important if the company or organization want to maintain or leading in the market. The marketing research is very important because it is the core of a business. This is because marketing research is the work of planning of concept 4Ps and makes profit. It also the core of relationship customer and product whether the product satisfy the need of customer or not. But the marketing strategy tools need a large amount of money. Thus, the manager need to identify what is the best ways of their marketing strategy.

Because of the limitation of budget, so the company or organization must use the budget wisely to avoid constrain in finance of their company or organization. In marketing strategy also need a marketing communication. The main goal of marketing communication is to transfer of the message between the sender and receiver (Vodak et al., 2016). But, the marketing communication also need budget to send the message to the customers. Thus the management of finance is really important in the marketing strategy. One way on how to measure the success rate of marketing strategy is via financial situation of the company (Lukas Falat & Martin Holubcik, 2017).those financial constrain must be manage well if not the large amount of budget will be waste. So a company needs to choose whether want to use large amount of budget in marketing strategy or just spend small amount of money in important part of marketing strategy. However, this study must be conducted to cater the problem.

### **1.3 Research Question**

Three research questions have been determined from the problem statements.

1. What is the impact of financial constrain toward the selection of marketing strategy?
2. Which most significant variable effect marketing strategies?
3. What is the relationship between financial constrain and marketing strategy?

## **1.4 Research Objectives**

The objectives of this study are:

1. To investigate the impact of financial constrain toward the selection of marketing strategy.
2. To identify the most significant variable effect marketing strategies.
3. To analyze the relationship between financial constrain and marketing strategy.

## **1.5 Scope of Study**

This research is conducted to study of financial constrain in selection of effective marketing strategy. Therefore, this research will be carried out in Malaysia. The researcher wills randomly selected company in Malaysia to carry out the email questionnaires survey, online questionnaires and also face to face interview. The target of respondents of the industry would be executive level and above because this level has experience many jobs, challenges, implement new strategies. They also will be the person that makes a decision about anything in the working scope according to the marketing strategy. So to providing the result of this financial constrain in selection of effective marketing strategy, I will give this kind of level of working the questionnaires to proof the result about this study.

## 1.6 Limitation of Study

During doing this research, there have some limitation that been had by the researcher. First one is the target population. This is because to find the top management and manager is difficult because of their schedule is very busy. So to approach them to answer questioners is quick difficult and need more time. This is because the bigger the sample will make the result of this research more accurate and solid.

Second limitation is time. This is because researcher only been given a few months to complete this research. So the research cannot be deeper and the information that has been known is insufficient because of lack of time. The respondents are also not wider and bigger scale because of this limitation.

Third limitation is inability to control the environment. The researcher faces the problem to control the environment around the respondent where the respondents provide the answer in the survey. Responses depend on particular condition during the particular time frame. These will makes the answer will depend on the emotional of the respondents.

## 1.7 Significance of Study

The findings of this research in the company in Malaysia are more likely to handle the finance more useful. This is because companies need a strategic plan for the marketing strategy. It is very useful because all of the marketing strategy need budget and how the companies spend the budget into a useful ways.

So this research will be advantage to the company on how they must spend their budget wisely to make the budget not exceed of their budget planning. So they can know what is the most significant variable that affects the marketing strategy. Thus, company can spend more money to that ways to makes the marketing strategy more effective.

## 1.8 Summary

This chapter briefly explains about the background of study, research questions and objectives are pointed out in this chapter. Besides, this chapter also explain the scope will be covered in the study and limitations faced by the researcher in conducting the research. The following chapter will describe in detail the literature review of market orientation. Theoretical framework will also be proposed in chapter 2.

## CHAPTER 2

### LITERATURE REVIEW

#### 2.1 Introduction

In this chapter, the researcher had focused on the definition and development of marketing strategy of company. Furthermore, the researcher also investigate about the financial constrain of company as every organization have limitation of financial. Besides, in this chapter also discuss about the financial constrain in selection of effective marketing strategy. Throughout the review of the literature, it helped to develop a clear vision with the better understanding of insights into the previous work that related to the research questions and objectives.

## 2.2 Marketing Strategy and Financial Constrain

### 2.2.1 Marketing Strategy

Marketing strategy is a flow that can allow a company or organization to concentrate its limited resources on the greatest opportunities to increase sales and achieve a sustainable competitive advantage. It also will be the key to achieve the goal of an organization (Paul Keetch, 2006). The marketing strategy is most effective when the company made market research about competitor, customer engage, prospects in the market.

Marketing strategy also can be defined as putting the right product in the right place, at the right price and at the right time. This definition is mainly refers to the marketing strategy tools which is marketing mix. The marketing mix is a good place to start plan for product and service because it help to avoid the mistakes. The marketing mix is a crucial tool to help understand what the product or service can offer and how to plan for a successful product offering. The 4Ps is one way probably the best know way to defining the marketing mix (E.J.McCarthy, 1960). The 4Ps are product, place, price and promotion. Although the new marketing mix have 7Ps but in this research the researcher only use the 4Ps only. Extensions of the 4Ps framework include process, physical evidence and participants (Booms & Bitner, 1981). These 4Ps categories can be separate into product mix and promotion mix and so forth.

Beside, advertising, personal selling sales promotion and publicity under the heading of promotion (Kotler & Armstrong, 1986). But, (Kent, 1986) has critic the framework of 4Ps and argue the 4Ps framework is so simplistic and misleading. The additional of packaging for the fifth P in the marketing mix (Nickels & Jolson, 1976). Other from that, fifth P is inclusion of public relation (Mindak & Fine, 1981). Besides, P. Kotler suggests that the additional P is Power as well as public relation in the context