

**IMPROVING SALES TOWARDS SUSTAINABILITY
OF NS GLOBAL MARKETING**

by

MAZIDA BINTI SAPAWI

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Table of Contents

Abbreviation Definition	i
List of Figures	ii
List of Tables.....	iii
Abstract (English)	iv
Abstract (Bahasa Malaysia)	vi
Executive Summary	viii
1.0 Introduction.....	1
2.0 Industry Background.....	3
2.1 Competitor Analysis	4
3.0 Company Background.....	8
3.1 Vision and Mission	8
3.2 Company Structure	9
3.3 Products Concept and Development	12
3.4 Marketing Strategies	14
4.0 Case Issue.....	17
4.1 Total Sales by Year and Product.....	18
4.2 Total Sales by Year and Region.....	20
4.3 Total Marketing Cost	23
4.4 Marketing Channels	24
5.0 Case Analysis	27
5.1 Cause-and-Effect Diagram (Fishbone Diagram)	28
5.1.1 Promotion.....	29
5.1.1.1 Restricted Target Market	29
5.1.1.2 Unpopular Marketing Strategy.....	30

5.1.1.3 Conflict in Promoting Products.....	31
5.1.2 Products.....	31
5.1.2.1 Product Life Cycle	31
5.1.2.2 Substitutable Products in Market	32
5.1.3 Personnel	33
5.1.3.1 Lack of Resources	33
5.1.3.2 Poor Customer Relationship	34
5.1.4 Consumers.....	34
5.1.4.1 Difficult to Get Products	34
5.1.4.2 Lack of Knowledge on Products	35
5.2 Product Life Cycle Analysis	36
5.3 SWOT Analysis	42
5.3.1 Strengths.....	43
5.3.1.1 Pioneer in the Product Concept.....	44
5.3.1.2 Good Quality Processes and Procedures.....	45
5.3.1.3 Winning Factors	45
5.3.2 Weaknesses	46
5.3.2.1 Lack of Resources	47
5.3.2.2 Restricted Target Market	47
5.3.3 Opportunities.....	48
5.3.3.1 Lifestyle Changes.....	48
5.3.3.2 Social Media.....	50
5.3.4 Threats.....	51
5.3.4.1 New Government Regulations (GST).....	51
5.3.4.2 New Competitors	53

5.4 Performance Prism	54
5.4.1 Stakeholders Satisfaction	55
5.4.2 Stakeholders Contribution.....	56
5.4.3 Strategies	58
5.4.4 Processes	59
5.4.5 Capabilities.....	60
6.0 Discussions and Recommendations	62
6.1 Developing Human Capital.....	62
6.1.1 Revamp Policies and Procedures	63
6.1.2 Employee Engagement and Empowerment	64
6.1.3 Coaching and Training.....	66
6.2 Re-engineering of Marketing Strategies	68
6.2.1 Revamp Promotion Strategy	68
6.2.2 Additional Distribution Channel	70
6.2.3 Customer Loyalty Program	72
6.3 Controlling Marketing Costs	73
6.3.1 Product Re-branding	74
6.3.2 Create Product Life Cycle Monitoring Chart.....	75
6.4 Incorporating Environment Strategy	76
7.0 Conclusion	77
8.0 References	81
9.0 Appendices	83
9.1 List of Interviewees.....	83
9.2 List of Document Been Reviewed	83
9.3 Interview Questions	83

Abbreviation Definition

1. IMP – Islamic Manufacturing Practice
2. GMP – Good Manufacturing Practice
3. MET – Money, Energy and Time

List of Figures

Number	Title	Page
Figure 3.1	Organization Chart of NS Global Marketing	9
Figure 3.2	Distribution Channel of NS Global Marketing	14
Figure 3.3	Bar Chart on Number of Pharmacies and Stockists by Zone	15
Figure 4.1	Bar Chart of Total Sales per Year from 2010 to 2014	19
Figure 4.2	Table and Bar Chart of Total Sales by Product per Year	20
Figure 4.3	Bar Chart of Total Sales by Zone	22
Figure 4.4	Line Chart on the Total Sales Versus Total Marketing Costs	24
Figure 4.5	Pie Chart of Percentage of Total Promotion Costs by Marketing Channel	26
Figure 5.1	Cause-and-Effect Diagram for Declining in Sales Since 2013	29
Figure 5.2	Product Life Cycle Model for BestDates – KDC	38
Figure 5.3	Product Life Cycle Model for BestDates – JC	38
Figure 5.4	Product Life Cycle Model for BestDates – BPN	39
Figure 5.5	Product Life Cycle Model for BestDates – BPJ	39
Figure 5.6	Product Life Cycle Model for BestDates – KMN	40
Figure 5.7	Product Life Cycle Model for BestDates – GP	41
Figure 5.8	Three Tiers of Non-customers in the Blue Ocean Strategy	50
Figure 5.9	Survey on the Public Understanding About GST	52
Figure 5.10	Framework of Performance Prism	55
Figure 6.1	Proposed New Distribution Channel	71

List of Table

Number	Title	Page
Table 2.1	Malaysia Halal Master Plan	4
Table 2.2	Competitors Comparison	7
Table 4.1	Total Sales by Zone per Year Since 2010 to 2014	21
Table 4.2	Number of Pharmacies and Stockists by Zone	22
Table 4.3	Total Marketing Cost by Year and Marketing Channel	25
Table 5.1	Analysis Tool Been Used to Answer Research Questions	27
Table 5.2	SWOT Analysis for NS Global Marketing	43
Table 7.1	Summary of Recommendations by Research Questions and Analysis Tools	78

Abstract

This case study has been conducted to find root causes to the declining of sales since 2013 for BestDates products from NS Global Marketing. It is also to find ways to minimize the marketing costs but bringing the maximum impact that can improve the sales performance.

For the case study, we are using four analysis tools which are the Cause-and-Effect Diagram to find the possible causes to the main concern which is declining in sales, Product Life Cycle Analysis that plotted based on sales volume by year to review the progress of sales performance. This analysis is to answer question on how to improve sales without increasing the marketing costs. SWOT Analysis to explore the strengths, weaknesses, opportunities and threats that influence from the internal and external of NS Global Marketing. The fourth analysis tool is the Performance Prism which is used to find the proper marketing strategy including product branding, promotion, distribution channel and advertising that can be implemented to improve sales. Both SWOT Analysis and Performance Prism are very useful to find solutions on the marketing strategies.

Data collection for the case issue and case analysis are resulted from interview, discussions, emails, phone calls and reviewing the related document. All of these are gathered from the staffs of NS Global Marketing, stockists and customers. There are four proposed recommendations for consideration from NS Global Marketing (1)

Developing Human Capital, (2) Re-engineering of Marketing Strategy, (3) Controlling Marketing Costs and (4) Incorporating Environment Strategy.

Last but not least, all these findings, analysis and recommendation are to assist NS Global Marketing to stay at the competitive advantage, survive for a long period of time in the local market and could start embarking the Asia Pacific markets, Insha'Allah (God willing). Aamiin!

Abstrak

Kajian kes ini telah dijalankan untuk mendapatkan punca kepada kemerosotan jualan sejak 2013 bagi produk-produk BestDates dari NS Global Marketing. Ia juga adalah untuk mendapatkan cara-cara bagi mengurangkan kos pemasaran tetapi masih mampu memberikan kesan maksimum yang boleh meningkatkan prestasi jualan.

Kajian kes ini telah menggunakan empat kaedah analisa seperti ‘Cause-and-Effect Diagram’ bagi mendapatkan punca-punca kepada kebimbangan utama iaitu kemerosotan jualan, Analisa Kitaran Hayat Produk yang diplot berdasarkan jumlah jualan mengikut tahun berguna untuk mengkaji kemajuan prestasi jualan. Analisa ini adalah untuk mendapatkan jawapan tentang bagaimana untuk meningkatkan jualan tanpa menambah kos pemasaran. Analisa SWOT pula untuk meneroka kekuatan (strengths), kelemahan (weakness), peluang (opportunities) dan ancaman (threats) dari faktor-faktor dalaman dan luaran kepada NS Global Marketing. Kaedah analisa yang keempat adalah ‘Performance Prism’ yang digunakan untuk mencari jawapan bagi strategi pemasaran yang tepat termasuk penjenamaan produk, promosi, saluran pengedaran dan pengiklanan yang boleh dilaksanakan untuk meningkatkan jualan. Kedua-dua Analisa SWOT dan ‘Performance Prism’ adalah sangat berguna untuk mencari penyelesaian kepada strategi pemasaran.

Pengumpulan data untuk kes kajian dan analisa kes adalah terhasil dari temubual, perbincangan, emel, panggilan telefon dan menyemak dokumen yang berkaitan. Semuanya ini dikumpulkan dari kakitangan NS Global Marketing, stokis-stokis dan pelanggan. Terdapat empat cadangan yang boleh dipertimbangkan oleh NS Global Marketing iaitu (1) Membangunkan Sumber Manusia (human capital), (2) Menyusun Semula Strategi Pemasaran, (3) Mengawal Kos-kos Pemasaran dan (4) Meletakkan Strategi Alam Sekitar.

Akhir sekali, semua penemuan ini, analisa dan cadangan adalah untuk membantu NS Global Marketing terus berdaya saing, bertahan untuk tempoh yang lama di dalam pasaran tempatan dan boleh memulakan langkah ke pasaran Asia Pasifik. Insya'Allah. Aamiin.

Executive Summary

A declining in sales can be a sign that a product life cycle is reaching the maturity stage and towards declining stage. It is also a clue that the need for a product is declining either due to new products in the market or customers felt that the products' value has not been delivered as promised. There are many ways to combat the situations. A company could start to review and re-organize their marketing strategies which will include re-branding the products, promotion, distribution channel and advertising. A comprehensive marketing strategy is needed as it generates awareness about a product in the marketplace. Poor marketing strategy can negatively impact the sales and reputation of overall business. These are the concrete reasons to alert NS Global Marketing to conduct further analysis.

This case study was to examine why BestDates products from NS global Marketing has declined from 2013 by 43.9% and to recommend ways of improving the sales without need to increase marketing cost. Besides that, the case study is also looking for other marketing strategies that can be implemented to improve sales. Interviews, discussions, phone calls, emails and reviewing of the related document are the methods used to gather data and information on the company, products, existing marketing strategies and customers. That useful information has been obtained from the Manager and staff of NS Global Marketing, Stockists and customers.

Four powerful analytical tools have been adopted in this case study. The first tool is the Cause-and-Effect Diagram or also known as Fishbone diagram which discovered four possible root causes and nine causes to the declining in sales to 43.9% in 2013. The possible causes are categorized into promotion, products, personnel and consumers. The second analysis tool is the Product Life Cycle Analysis. The main purpose is to find the status and sales performance of the products especially the old products that have been launched for more than two years. The analysis conclude that four BestDates products (KDC, JC, BPN and BPJ) are at the Decline stage already and they do not stay long at the Maturity stage. The Product Life Cycle Analysis is very useful to control the marketing costs.

The third analysis tool is SWOT analysis which has been used to determine the internal and external factors of NS Global Marketing that can influence the decisions to improve sales without increasing the overall marketing costs. The first internal factor is the strengths of the company which are pioneering the concept of Sunnah foods from dates cider, prune juice and other traditional herbs; the good process and procedures with the IMP and lastly the winning factors valuable and rare. The second internal factor is the weaknesses that should be reduced such as lack of resources and restricted target market. The first external factor is opportunities that can be explored to the advantage of NS Global Marketing which are the potential market growth from the life style changes and social media as the alternative to the existing marketing strategy. The second external factor that beyond the control of the company is threats such as the new government regulation on GST and new competitors in the market.

Further analysis from the fourth tool which is Performance Prism reveals that the company has to understand the needs and wants from their stakeholders – Employees, Customers and Vendors/Suppliers to determine other marketing strategies to improve sales. NS Global Marketing evaluated the processes and procedures available, strategies adopted and their capabilities to stay competitive.

Results from the data analysis shows that NS Global Marketing is having good foundation to continue their business. However, the foundation is not strong enough to survive in the Red Ocean environment as few competitors have emerged from the increasing interest of local consumers on Sunnah foods. The new trends have attracted new competitors with better and creative product branding, promotion approaches and comprehensive marketing strategies. Therefore, three recommendations have been proposed.

1. Developing Human Capital to re-organize the business operations to win back the marketplace. The areas for review and execute are revamping policies and procedures, encouraging employee engagement and empowerment and develop the coaching and training plan.
2. Re-engineering of Marketing Strategies to retain the existing customers and convert the non-customers to be the regular customers. Therefore, revamping the promotion strategy, adding new intermediaries to the distribution channel and customer loyalty program are the proposed marketing strategies for NS Global Marketing.

3. Controlling Marketing Costs through product re-branding and creating the product life cycle monitoring chart by individual products. Product re-branding will provide fresh image of the old products by re-packaging or enhance the flavor. The monitoring charts are useful to track the sales performance on a monthly basis for NS Global Marketing to plan on the marketing strategies, promotion activities and re-branding.
4. Incorporating Environment Strategy into the business activities which could involve all the stakeholders to cultivate awareness on the importance of preserving environment and waste management, it also will benefit the company economically and improve their image.

There is no doubt that a good marketing strategy should integrate well with the long-term marketing plans and align with the vision and mission of a company. However, it does not mean that a company can neglect the other vital element in a business which is human capital. All the strengths and opportunities in the company should be manipulated well for the long term survival of the company. Last but not least, “You cannot do today’s job with yesterday’s methods and be in business tomorrow”, a quote from George W Bush. Thank you.

1.0 INTRODUCTION

Marketing strategies are the integrated plans. It has been used to achieve marketing goals which include market research, market segmentation, product development, pricing, forecasting and promotions either for short term, mid term or long term. The main reason is for the survival and sustainability of a business. Profitable business is translated from the number of sales, loyal customers, product improvement, and profit and loss. Proper marketing strategy and maintaining sales have been the main focus not only to big companies but also to the small companies.

A company can also choose either to be a company with cost leadership strategy that produces products at lower costs in the industry and difficult to be replicated by other companies, differentiated strategy that offers different products and product features to customers or innovation strategy that introduces new products or unique product features to enhance the customers' perception.

Besides adopting the best strategy, a company also needs to be alert on the latest needs and demands in the market, equipped with the latest knowledge, technology and governance related to their business. For example, the latest growing concerns for Malaysian consumers now are the halal foods, supplement foods and nutritious foods.

NS Global Marketing is a Muslim family-owned company was no exception in having dilemma to stay in the competitive advantage or at least to stay as one of the active players in the market for halal and nutritious food supplement. They have been worried on the declining of sales since 2013 despite increasing marketing costs. Therefore, this case study management project will evaluate and analyze the marketing strategy and business performance of NS Global Marketing for sustainability in profit and growth.

Business sustainability is always referred to as incorporating environment and social strategies into business. The focus is improving societal and environment while generating profit (economy) for the business. The key areas of focus by business are always like energy saving, conducive and safe workplace, carbon footprint and waste management. However, my focus of sustainability in this case study management project is the survival of the business for NS Global Marketing. How should they survive for a long period of time with their unique product concepts and re-engineering of the marketing strategy. How the human capital management will help them survive as well.

2.0 INDUSTRY BACKGROUND

As Muslims, the search for lawful (halal) and wholesome (tayyib) products such as food and medicines is not only a part of Ibadah and to get pleasure of Allah SWT. In fact, it can also nourish the bodies and souls due to the permissibility and purity of the products. Currently, the awareness of some doubtful and questionable ingredients in the food and pharmaceutical products has increased (Nasaruddin, R.R., Mel, M., Fuad, F., Jaswir, I., Abd. Hamid, H., 2011).

The halal food industry is of vital importance to Muslims world wide as it gives them a sense of security that the food items they consume daily are syariah compliant. The halal industry contributes to societal development and national economic growth. The United Nations has cited Malaysia as the world's best example of benchmarking of halal food in accordance with the Codex Alimentarius Commission adopted the Codex general guidelines for the use of the term halal in Geneva in 1997. Local halal food products can gain easy access into these halal markets as Malaysia's Halal Certification is globally recognized (Bohari, A. M., Cheng, W. H., Fuad, N., 2013)

The positive outlook on Malaysia's competitive edge in the halal food industry is echoed by subsequent measures taken by the government. Among these was the conception of a *Halal* Master Plan addressing issues of certification, sector development, *Halal* integrity, implementation, timeframes and responsibilities. The Master Plan envisages three phases of the roll-out from 2008 to 2020 (Bohari, A. M., Cheng, W. H., Fuad, N.,

2013). From Table 2.1, Malaysia Halal Plan is at the phase 2 where the country has been established as one of the preferred locations for halal-related business. Quite a number of events organized by Malaysia government to promote Malaysia as the halal hub in Asia Pacific.

Table 2.1: Malaysia Halal Master Plan

PHASE 1: 2008 - 2010	PHASE 2: 2011 - 2015	PHASE 3: 2016 - 2020
Develop Malaysia as a global centre for Halal integrity and prepare the industry for growth	Establish Malaysia as one of the preferred locations for halal-related business	Broaden geographic footprint of home-grown companies

Source: Saifol (2013)

Source: The competitiveness of halal food industry in Malaysia: A SWOT – ICT analysis.

2.1 Competitor Analysis

NS Global Marketing started its operations in 2010 and ventured into the Blue Ocean. They created and captured new demands of the Sunnah food products with the main ingredient is dates cider. It is a new concept and uncontested back then. But now, NS Global Marketing trapped in the Red Ocean. Nowadays, Sunnah foods are becoming the latest trends and in high demand particularly among Muslims. It gives a new dimension in the Malaysia food market. More and more companies would like to grab the market share with variety of other Sunnah Foods as the ingredient such as olives, honey and raisins. This is how the Blue Ocean turned into the Red Ocean.

As mentioned earlier, there are quite a number of firms in Malaysia with similar product concept with BestDates due to the increasing trend of Sunnah foods consumption. Perniagaan Qurba used to be the closest competitor to NS Global Marketing. However, Minsyam Sdn. Bhd. has taken over the place to be the main competitor recently. A competitor analysis has been conducted to explore more on the strengths, weaknesses and similarities of these companies. Another new company, Ant Berjaya Berhad which is established in 2011 has been included in this analysis. This competitor analysis would be very useful for NS Global Marketing to position their marketing strategies and beat their competitors to get back the market share.

Table 2.2 is showing the analysis on the competitors' company background, product details, marketing strategies, quality standard, strengths, weaknesses and also their similarities. In general, all of them have similar product concepts, offering similar benefits from the products, almost same price range and distributing their products through stockists or agents. However, Minsyam Sdn. Bhd. has more advantages to offer the market and beat the other competitors. They have more than 50 staffs to focus on the production, quality of the products, marketing and promotion activities. Minsyam Sdn. Bhd also has an attractive and user friendly website where they published the company's profile, information on the products and videos of the promotion events. All those information has been kept up-to-date. This is the most important element that NS

Global Marketing is still lacking and they should have especially in the era of technology and social media.

NS Global Marketing and Minsyam Sdn. Bhd. have similar marketing strategies such as promotion in the radios, printing material and events. They also have similar distribution channel such as direct selling, stockists and agents. However, Minsyam Sdn. Bhd has been engaging celebrities who are more popular, an icon in their field and have more followers compared to NS Global Marketing.

Table 2.2: Competitor Analysis

Company's Name	NS Global Marketing	Minsyam Sdn. Bhd.	Perniagaan Qurba	Ant Berjaya Berhad
Product Brand	BestDates	Minsyam	Various brand e.g. Khal and Faqeh	Noor
Tagline	Believe Sunnah	Sunnah Foods	Islamic Medical Heritage	Sunnah Foods
Registration Date	23-Nov-2009	13-Nov-2009	11-Apr-2001	2011
Location	Bangi, Selangor	PJ, Selangor	Jitra, Kedah	Batu Pahat, Johor
Number of Employees	9	More than 50	No info.	No info.
Facebook	Yes (16k likes)	Yes (5,031 likes)	Yes (837 likes)	Yes (6 likes)
Website	No longer active	www.noorsunnah.com	www.qurba.com.my	www.minsyam.com
Website Content	Company's profile, products, promotion	Company's profile, products, promotion, agents	Company's profile, products, agents	Company's profile, products, promotion
Google Search	18,700 (6-May-2015)	128,000 (6-May-2015)	23,500 (6-May-2015)	Invalid (search include individual name Noor)
Number of Product	9	8	7	3
Price Range	\$45 to \$ 90	App \$60	\$90	App \$25
Product Concept	Mostly dates-cider based and honey products	Mostly olive-based products. Only 1 with dates-cider based product	Honey and herbs. Only 1 with dates-cider based product	Pomegranate and dates-cider based products
	Liquid in sachet	Liquid form in bottle, 2 table spoon per intake	Liquid form in bottle, to measure 15 ml per intake	Liquid form in bottle
	Own formulation	Import exclusively from Syria	No info	Import from middle east
Target Market	Muslim consumers only	All consumers	All consumers	All consumers
Marketing Strategy	1) Direct Sell 2) Stockists & Pharmacy 3) Radios & TV 4) Printing materials 5) Events	1) Direct Sell 2) Stockists 3) Radios 4) Printing materials 5) Events	1) Direct Sell 2) Stockists	1) Direct Sell 2) Stockists
	Endorsement from celebrities such as Akil Hayy & Ust. Ghazali	Endorsement from well known celebrities such as Heliza, Chef Zam & Jaafar Onn	None	None
Quality Standard	IMP and GMP	No info	GMP	No info
Strength	1) Able to control the product quality due to own formulation 2) Convenience as daily consumptions packed in sachet. 3) Moderate easy of availability	1) Attractive website and full of necessary information and videos 2) Reliable due to good image and saiz of organization 3) Moderate ease of availability 4) Comprehensive target market	1) Active official website with company background & products info. 2) Comprehensive target market	1) Active official website with company background & products info. 2) Limited product range make it easier to maintain the quality and focus 3) Comprehensive target market
Weaknesses	1) No official website to dessiminate necessary information 2) Limited target market	1) Less convenience. Need to measure 2 table spoons per intake	1) Various brand for products and no identity of the company 2) Low ease of availability	1) Less known brand 2) Low ease of availability
Similarity	1) Promoting sunnah foods 2) Promoting similar benefits from the products 3) Product distribution through Stockists or agents 4) Almost the same price range			

3.0 COMPANY BACKGROUND

NS Global Marketing is a Muslim Bumiputera family-owned company that pioneering the dates vinegar-based formulation products, suitable for those who are health conscious. The company has been registered on 23-November-2009 and began its operation from 1-December-2009 with only one product which is KDC, as nutritious food supplement. To date, NS Global Marketing has produced nine products under the brand name of BestDates.

The founder is Tuan Haji Mohd Azizul Bin Aziz, 52 years old who has experience in the business for 25 years. He came out with his own formulation to produce dates vinegar (khal) - based products himself after suffering from few illnesses. After successful experiment on himself, he decided to produce and market the products as supplement, nutrition 'Sunnah' foods with halal (lawful) and 'tayyib' (wholesome, pure, clean and nourishing) concepts. The products have been produced with the Islamic Manufacturing Practice (IMP) standard as a contract manufacturing (OEM).

3.1 Vision and Mission

NS Global Marketing aims to produce a range of products that can provide physical and spiritual benefits to the whole family. The vision is "Becoming the world major producer of lawful (halal) foods in general and Malaysia in particular". The mission is "To diversify its product range for daily needs of

Muslim consumer health foods”. These vision and mission have been the baseline for NS Global Marketing to move forward. Their tagline is “Believe Sunnah”.

3.2 Company Structure

NS Global Marketing is a small company located at Bandar Baru Seri Iskandar, Perak. The company has only nine staffs consist of a General Manager who is the founder, Tuan Haji Mohd Azizul Bin Aziz himself, a Manager, Encik Zamri Bin Zainol who is also responsible for sales & marketing and another seven staffs from five departments which are Account & Administration, Customer Service, Sales & Marketing, Research & Development and Logistics.

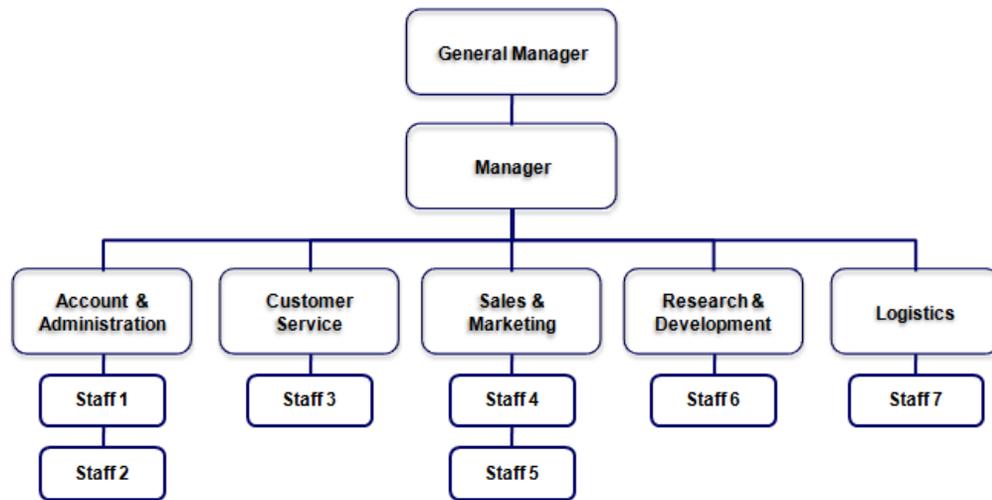


Figure 3.1: Organization chart of NS Global Marketing

Source: Company profile of NS Global Marketing

Figure 3.1 shows the organization chart of NS Global Marketing. Each department has at least one staff and they are equally important to the day-to-day operations of the company. The interactions between departments are very important to achieve the company's vision and mission for example communications between sales & marketing department with Customer Service and Logistics department to meet the customers' needs and demands. The main functions of each department are listed as follows:-

1. Account & Administration

The Account section is responsible for managing financial and accounting matters including controlling the expenditures, operating expenses and payroll. The Administration section acts as the Human Resource that managing the manpower planning and employee relations.

2. Customer Service

This department is responsible in attracting new customers and retaining existing customers. They need to integrate with Sales & Marketing department and Logistics department to ensure the customers satisfaction. This department also acts as a liaison between the company and suppliers, manufacturer and stockists.

3. Sales & Marketing

This department is responsible to create strategies for product pricing, promotions, advertisement, distribution, planning and forecasting for sales. Sales & Marketing department will be the focus of study for this management project. Encik Zamri Bin Zainol, the company's manager is also responsible in managing the Sales & Marketing department. He is assisted by Puan Noor Nureen Binti Ali. Both of them are very helpful in providing details on total sales by products, total marketing cost and other related data for this project.

4. Research & Development

This department is responsible to develop the requirement and formulation to their new products. Also responsible to get certification for halal and safety of their products before handing over to mass production. This department collaborates closely with Sales & Marketing department and Customer Service department to obtain records and inputs for the product research and development.

5. Logistics

Logistics for NS Global Marketing is responsible for storage, distribution and movement of products from the manufacturing to the sales center and from sales center to the customers. Also involve in tracking the products and ensure the products reach the right place, at the right time in good conditions.

3.3 Products Concept and Development

All products under BestDates brand containing formulation from various modern and traditional ingredients such as dates vinegar (khal), honey, black seeds, prunes, Roselle and Mangosteens. They serve as 'Energy Booster' and suitable for the consumption of the whole family. NS Global marketing developed and marketed their own products compared to other companies who imported their products to be marketed locally. They managed use the medical techniques of ancient Islamic civilization that combines honey and vinegar as an antidote.

BestDates product ranges have been produced with the Islamic Manufacturing Practice (IMP) standard as a contract manufacturing (OEM). Consumers should not have doubts about the status of cleanliness and purity as IMP itself is one that emphasizes product quality standards of cleanliness and purity, not only limited to the ingredients but include methods and processes used throughout the products manufacturing.

According to the IMP community, IMP is intended to provide a guideline under an appropriate system for managing Shar'iah Compliance. It is also intended to ensure that all manufacturers meet the requirements for quality, efficacy and purity towards the halalan thoyyiban products (Nasaruddin, R.R., Mel, M., Fuad, F., Jaswir, I., Abd. Hamid, H.2011). Products been producing with the IMP standard are also meant that the products have been complying to the regulations and other standards of Good Manufacturing Practice (GMP), Hazard Analysis and Critical Control Point (HACCP), ISO and Halal certification. Here is the list of products from NS Global Marketing under the brand name BestDates:-

1. KDC and KMN – dates vinegar (khal) - based products combined with 'Habbatussauda', raisins, honey and coconut oil. The products have been packed in sachet for easy consumption, anywhere at anytime.
2. JC – containing traditional herbs which have been using by women in South East Asia such as 'Lobata', 'Manjakani', Pennywort (Pegaga), Betel (Sireh) and Aloe Vera. They are also available in sachet.
3. BPN and BPJ - specially blended of selected ingredients which are well known for its efficacy and benefits to increase energy and improve intelligence, such as prunes, honey, mangosteens, apple cider and 'habbatussauda'. BPN for adults and BPJ for children.
4. GP and MCH – specially formulated health drinks for men from Ginkgo Biloba, 'Tongkat Ali', Roselle, 'habbatussauda' and dates vinegar. MCH products are specially formulated to help overcome prostate problems. They are available in sachet and ready to be consumed anytime.

5. USK – newly introduced products in 2014, enriched with goat milk, dates, raisins, figs and honey. It is good for kids.
6. BLD – the latest products that has been introduced in late of 2014. It is an energy drinks, flavored drinks with vitamin and khall.

3.4 Marketing Strategies

NS Global Marketing has been using intermediaries – stockists and pharmacies to distribute their products from the sales center to customers (Refer Figure 3.2). The customers could also get the BestDates products directly from the sales center or been delivered to them.

Based on the records from April 2014 to March 2015, NS Global Marketing has total of 264 stockists and pharmacies all over Malaysia. More than 50% are located in the northern zone - Kedah, Penang and Perak.

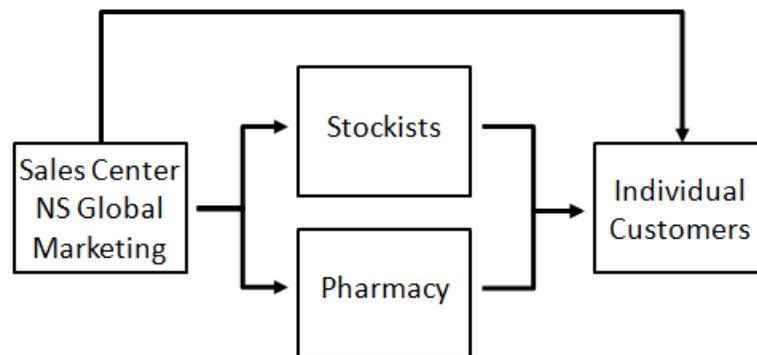


Figure 3.2: Distribution channels of NS Global Marketing

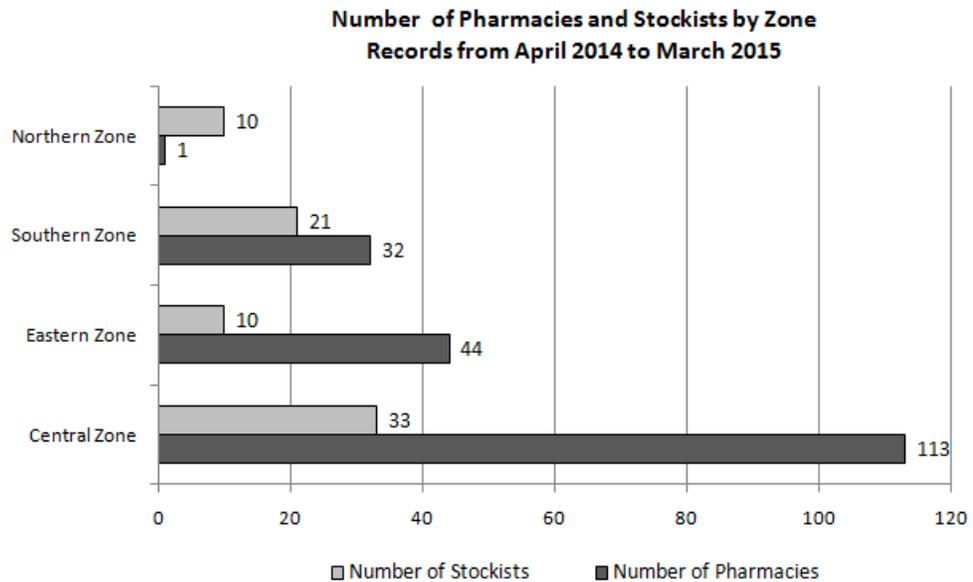


Figure 3.3: Bar chart on number of pharmacies and stockists by zone

Good and comprehensive marketing strategies are not complete with only having the proper marketing and distribution channels. The strategies should also be equipped with comprehensive and variety advertising medias (Baron, A., Armstrong, M. 2007). Advertising medias for NS Global Marketing are categorized into five groups.

1. **Print Advertising** – brochures and fliers: have been prepared with information and price of individual product, together with the contact details. There also brochures and fliers for all products during the promotion activities. The printing materials are available at the service center and stockists. The company also distributes them during the promotion events.

2. **Outdoor Advertising** – billboards, banners and events: billboard has been installed at a strategic place. Besides that both billboard and banners have also been installed the outside of their sales center premises which contain the company's name, product brands and contact number. NS Global Marketing has also participated in events and opened their booth to promote the product externally.
3. **Broadcast Advertising** – television, radio and internet: NS Global Marketing has promoted their products in TV AlHijrah at the beginning of the operations. They regularly participate in the business segment in the state-based radio and IKIM Radio. Besides that they posted updates and product promotions in their Facebook.
4. **Public Service Advertising** – advertising the BestDates products while conveying social causes messages such as Pray for Gaza and Care for Syria.
5. **Celebrity Advertising** – NS Global Marketing has engaged few celebrities whose image coincides with the BestDates product concept as Sunnah food. The celebrities are Akil Hayy and Ustaz Ghazali Bin Ibrahim. They became the spokesperson and promoted the products.

4.0 CASE ISSUE

Several approaches have used to obtain information about company, current issues, their strengths and weaknesses (refer Appendices page for list of interviewees and interview questions). The information has been used to construct the case issue, carry out the data analysis and recommend actionable solutions to the company.

1. Face to face interviews phone calls and emails – Encik Zamri Bin Zainol and Puan Noor Nureen of Global NS Marketing.
2. Face to face interview – Stockists, Bayan Baru (not NS Global Marketing's)
3. Phone interview – Consumers

Encik Zamri Bin Zainol is a Manager in NS Global Marketing. He is also responsible in managing the operations of Sales & Marketing department. Puan Noor Nureen Bin Ali is one of the staffs in the Sales & Marketing department who is assisting Encik Zamri. Both of them have been working together for more than two years to promote and market all products under the brand name BestDates. The sales were doing excellent since the first year they produced and marketed the BestDates products in 2010. However, they realized that something went wrong somewhere and the sales was getting slower lately.

From the conversation and discussion with Encik Zamri and Puan Noor on 13-March-2015, they expressed their concerns on the company's performance, declining of sales volume and the urge to do something to investigate the root causes. Once the actual root causes been identified, they would like to take immediate actions to improve the sales and restore public trust on their products.

After spending a day with them, exchanging emails and messages with them, there are n four major issues to be reviewed and analyzed. These issues will be the scope of this case study:-

1. Total Sales by Year and Product
2. Total Sales by Year and Region
3. Total Marketing Costs
4. Marketing Channels

4.1 Total Sales by Year and Product

Figure 4.1 is a bar chart of total sales for BestDates products since 2010 to 2014 and it is showing declining of sales starting from 2012. The sales dropped from RM 1.651 million in 2012 to RM 1.147 million the following year in 2013, it reduced by 43.9%. Total sales keep declining until RM 0.810 million in 2014, another 41.6% reduction.

From the chart, it is also showing that the products have been well accepted during the first and second year after the operations started in December 2009. The sales in 2010 was RM 0.504 million and increased to RM 0.874 million in 2011. It means that the sales had increased by 42.3%.

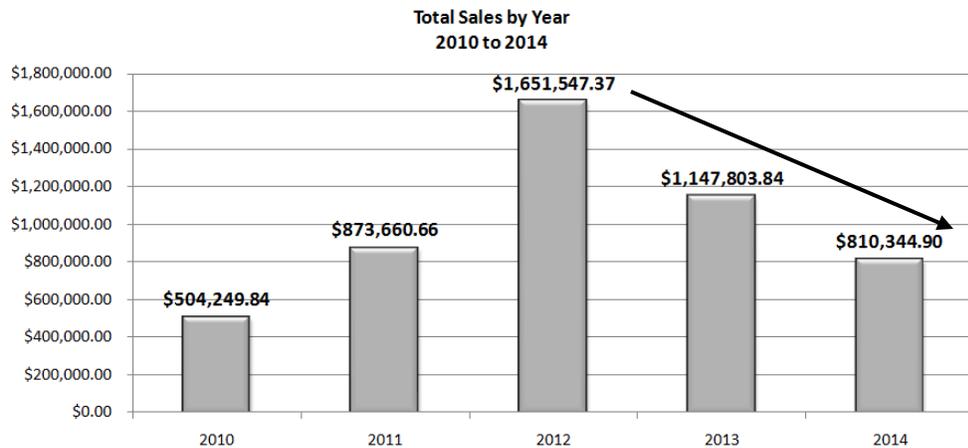


Figure 4.1: Bar chart of total sales per year from 2010 to 2014
Source: Sales & Marketing Department, NS Global Marketing

Figure 4.2 shows the trend and records of total sales by product per year since 2010 to 2014. There are four products that been produced and introduced in the local market since 2010 which are KDC, JC, BPN and BPJ. Both KMN and GP have been introduced into market in 2012, whereas MCH and USK have been introduced in 2014. The latest family of BestDates is BLD.

From the chart, 2012 has been the best year and generated the most sales ever for all products. It is also showing that generally, all products are decreasing in sales in 2013 and further decrease in 2014.

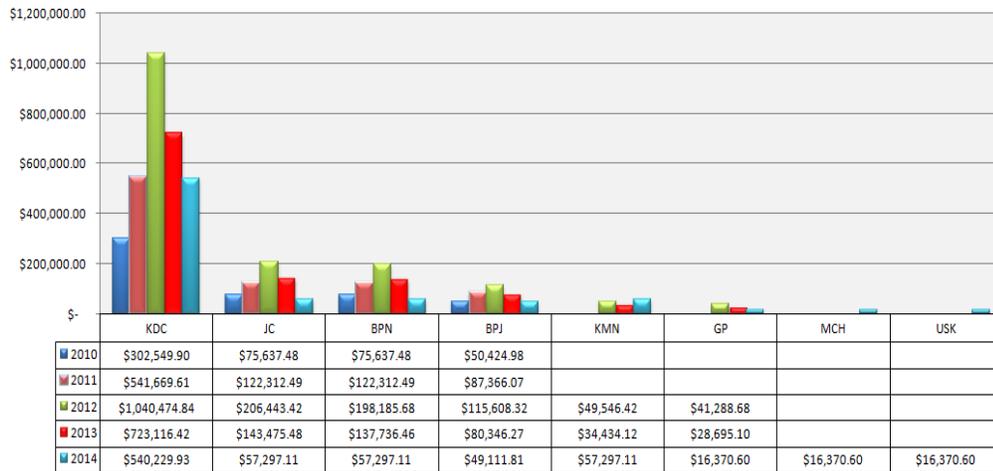


Figure 4.2: Table and bar chart of total sales by product per year since 2010 to 2014

Source: Sales & Marketing Department, NS Global Marketing

4.2 Total Sales by Year and Region

NS Global Marketing has divided the areas of marketing their products five main zones. The purposes are for proper marketing strategy based on region, forecasting, logistics and tracking. The five main regions are as follows:

1. Northern Region - Perlis, Kedah, Penang, Northern Perak
2. Central Region - Southern Perak, Kuala Lumpur, Selangor, Putrajaya
3. Southern Region - Negeri Sembilan, Melaka, Johor
4. Eastern Region - Pahang, Kelantan, Terengganu
5. Sabah and Sarawak

In general, the total sales for 2013 and 2014 were also declining in all five regions. From table 4.1, Central Region is always being the main contributor to the total sales from 2010 to 2014 followed by Southern Region, then Eastern Region, Southern Region and lastly the Sabah & Sarawak. However, from year 2012, Northern Region has dropped from being the third highest sales to the fourth place. Eastern Region has jumped from being fourth highest sales to be at third place.

Table 4.1: Table of total sales by zone per year since 2010 to 2014

Year	Total Sales by Region					Total Sales
	Northern Region	Central Region	Southern Region	Eastern Region	Sabah & Sarawak	
2010	\$90,764.97	\$211,784.93	\$100,849.97	\$75,637.48	\$25,212.49	\$504,249.84
2011	\$139,785.71	\$401,883.90	\$174,732.13	\$131,049.10	\$26,209.82	\$873,660.66
2012	\$198,185.68	\$891,835.58	\$280,763.05	\$231,216.63	\$49,546.42	\$1,651,547.37
2013	\$114,780.38	\$642,770.15	\$195,126.65	\$160,692.54	\$34,434.12	\$1,147,803.84
2014	\$81,034.49	\$461,896.59	\$129,655.18	\$113,448.29	\$24,310.35	\$810,344.90
Total Sales	\$624,551.24	\$2,610,171.16	\$881,126.99	\$712,044.03	\$159,713.20	\$4,987,606.61

Source: Sales & Marketing Department, NS Global Marketing

Bar chart in figure 4.3 shows the total sales by region from 2010 to 2014. Central Region, Southern Region and Eastern Region contributed more than 80% of the total sales. This is because these three zones have more number of stockists and pharmacies compared to Northern zone and no records of stockist and pharmacies for Sabah and Sarawak. Table 4.2 is showing number of stockists and pharmacies by zone from April 2014 to March 2015. This information will be used during the case analysis to find out why less sales volumes in other regions compared to the central region besides of having more stockists, agents and pharmacies in the central region or zone.

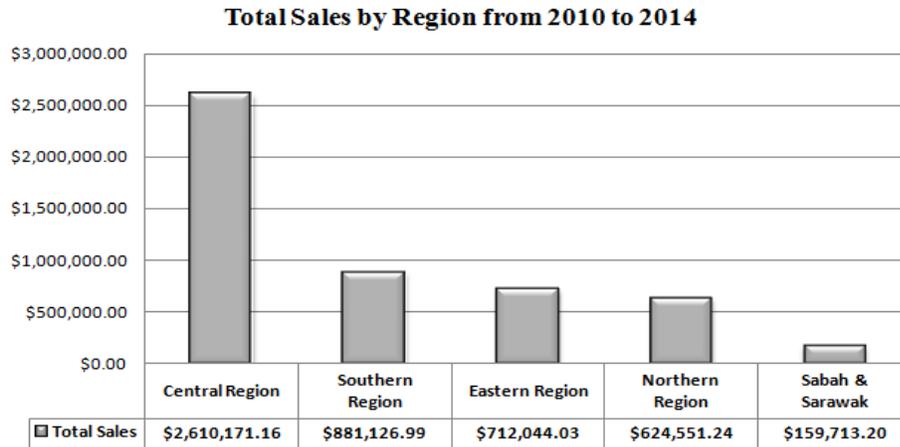


Figure 4.3: Bar chart of total sales by zone since 2010 to 2014
Source: Sales & Marketing Department, NS Global Marketing

Table 4.2: Number of pharmacies and stockists by zone from April 2014 to March 2015

Zone	Number of Pharmacies	Number of Stockists	Total
Central Zone	113	33	146
Eastern Zone	44	10	54
Southern Zone	32	21	53
Northern Zone	1	10	11
Grand Total	190	74	264

Source: Sales & Marketing Department, NS Global Marketing

4.3 Total Marketing Costs

NS Global Marketing has been trying to improve their sales by investing more in the marketing and promotion activities. In 2010, their initial investment in promoting their products was RM 151,000.00. Since the products were well accepted and the sales were good, they reduced the marketing cost by 23.92% to RM 121,850.00 in 2011 and reduced further to RM 82,800.00 or 47.16% in the following year, 2012.

However, looking at the decreasing monthly sales for 2013, the company has increased their marketing cost by 8.05% or RM 90,050.00. The marketing cost increased to RM 164,100.00 in 2014 or increased by 45.12%. Figure 4.4 clearly shows that despite the increase in total marketing, still no improvement in total sales. Encik Zamri is a bit confuse and concern in the increase of expenditures especially in the marketing cost but seems did not reflected well or translated well to the increase in total sales. He is asking either the company has made good moves or strategy to gain back their market shares.

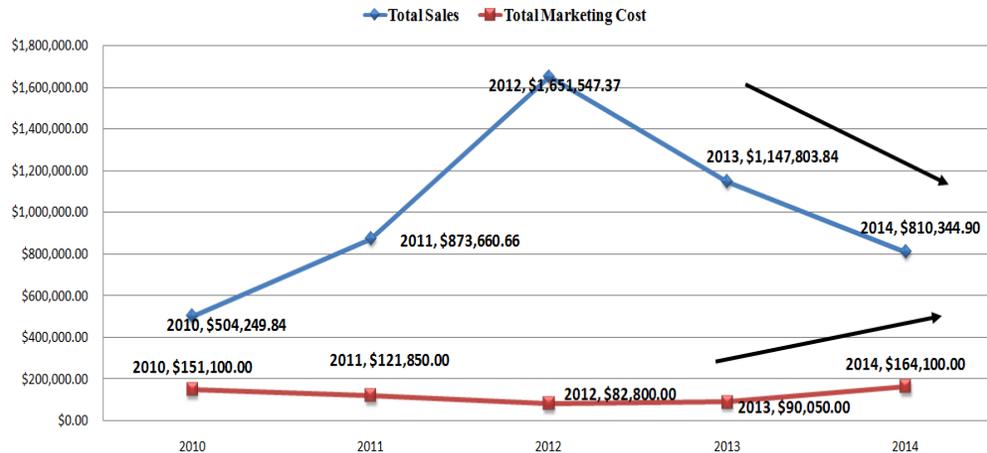


Figure 4.4: Line chart on the total sales versus total marketing cost from 2010 to 2014.

Source: Sales & Marketing Department, NS Global Marketing

4.4 Marketing Channels

From the discussion with Encik Zamri and Puan Noor of NS Global Marketing on the total marketing cost by year, we thought that it is good to review and analyze the total marketing cost by year and by the marketing channel. The purpose is to evaluate either the existing marketing strategy need to be totally improved or changed to suit the era of social media.

Referring to Table 4.3, from 2010 to 2014, the company has spent RM 609,900.00 on the marketing cost. Every year, the company has invested for the promotion and publicity in the IKIM Radio for RM 386,500.00, state-based radio stations such as Kedah FM, Perak FM, Kelantan FM and Terengganu FM for RM43,000.00, printing of brochures, flyers and posters for RM 43,900.00,