

**PRODUCT PERFORMANCE AND CONSUMER PERCEPTIONS OF DIGI
CAMPUS BRANDSCAPE**

DORIS WONG LUNG SIEW

**This project is submitted in partial fulfillment of the requirement for the degree
of Bachelor of Business Administration with Honours
(Marketing)**

**Faculty of Economics and Business
UNIVERSITI MALAYSIA SARAWAK
2010**

ABSTRACT

PRODUCT PERFORMANCE AND CONSUMER PERCEPTIONS OF DIGI CAMPUS BRANDSCAPE

By

Doris Wong Lung Siew

This study is aim to examine the consumer perception of DiGi Campus products and their branding. How do they respond to DiGi marketing on screen, showing the products in the branded landscape of their use (a campus) or 'brandscape'. Does customer satisfaction meet the levels suggested in marketing? The quality of DiGi Campus product that consumer perceived after consumption was studied. Besides, the DiGi brandscape that consumer perceived before and after they expose to brand also was investigated. In this research, a qualitative research method is followed. Focus group interview are used so as to collect the data from 12 respondents who are taking the Marketing program. All the 12 respondents are 3rd years students. The empirical result indicated that consumers purchasing decision and satisfaction will be influence by the product performance and the service quality that was provided. Besides that, the product brandscape or the brand reputation will provide a reason for the consumer's purchasing decision and loyalty. Therefore this study argues on the basis of consumer response that there is a verifiable connection between product performance, brand reputation (brandscape) and consumer satisfaction.

ABSTRAK

PRESTASI PRODUK DAN PERSEPSI PENGGUNA TERHADAP DIGI KAMPUS “BRANDSCAPE”

Oleh

Doris Wong Lung Siew

Kajian ini dijalankan untuk mengaji persepsi pengguna ke atas produk Digi Kampus dan jenama tersebut. Bagaimana tindak balas pengguna terhadap pemasaran DiGi pada skrin, yang menunjukkan produk dalam landskap jenama atau ‘brandscape’. Adakah kepuasan pengguna mencapai tahap yang dicadangkan dalam pemasaran? Tanggapan pengguna terhadap kualiti Digi Kampus setelah penggunaan juga dikaji. Malah, tanggapan pengguna terhadap Digi “brandspace” sebelum dan selepas pengguna terhadap jenama tersebut juga telah dikaji. Dalam kajian ini, kaedah kuantitatif telah digunakan. Temuduga secara kumpulan dijalankan bagi mengumpul maklumat daripada 12 orang responden yang merupakan pelajar pemasaran tahun 3. Hasil kajian telah menunjukkan bahawa keputusan pembelian dan tahap kepuasan para pengguna adalah dipengaruhi oleh prestasi produk tersebut dan perkhidmatan yang telah ditawarkan. Selain itu, produk “brandscape” atau reputasi jenama akan mempengaruhi keputusan pembelian dan kepuasan para pengguna serta kesetiaan terhadap jenama tersebut. Oleh itu, kajian ini membuktikan asas tindak balas pengguna adalah ditentukan daripada hubungan antara prestasi produk, reputasi jenama (“brandscape”) dan kepuasan pengguna.

ACKNOWLEDGEMENT

This research was successfully conducted due to unlimited assistance by my supervisor, Prof. Madya Dr. Tony Wilson. He has been providing me with all the relevant information and guides me in finding accurate data in my study which helps in guiding me and completing my study effectively.

Furthermore, I would like to express my thankfulness to all my respondents who were willing to spend their precious time in helping me to collect the data of my study. Without their helps, I am unable to continue my research.

Besides, I would like to convey my heartfelt thanks to all my dearest friends, who have contributed their valuable time, support, and advices in making this study a success. Thanks for all the supports which had motivated me a lot and push me move forward.

Many thanks also to those staffs in Faculty Economics and Business, UNIMAS, for their help and commitment in making the final year project a success. With their help, I have gone through these three years easily without any hardship.

TABLE OF CONTENTS

LIST OF RESPONSES.....	ix
LIST OF TABLES.....	x
LIST OF FIGURES.....	xi

CHAPTER ONE: INTRODUCTION

1.1	Introduction.....	1
	1.1.1 Overview of Mobile Telecommunication Industry in Malaysia.....	1
	1.1.2 DiGi and DiGi Campus.....	3
	1.1.3 Consumers and Audiences.....	4
1.2	Problem Statement of Issues.....	5
1.3	Research Objective	
	1.3.1 The General Objective.....	6
	1.3.2 Specific Objectives.....	6
1.4	Rational of Research.....	6
1.5	Scope of Research.....	7

CHAPTER TWO: LITERATURE REVIEW

2.1	Introduction.....	8
2.2	Product Performance.....	8
2.3	Consumer Satisfaction.....	9
2.4	Consumer Perception.....	10
2.5	Brand and Brandscape	
	2.5.1 Brand.....	11
	2.5.2 Brand Reputation.....	12
	2.5.3 Brandscape.....	13

CHAPTER THREE: RESEARCH METHODOLOGY

3.1	Introduction.....	15
3.2	Research Design.....	15
3.3	Focus Group	
	3.3.1 Sample of Focus Group.....	16
	3.3.2 Focus Group Interview Process.....	16

CHAPTER FOUR: EMPIRICAL RESULT

4.1	Introduction.....	19
4.2	Focus Groups.....	19
4.3	Quotations (Data).....	20
	4.3.1 Quotation Tables.....	29

CHAPTER FIVE: DISCUSSION

5.1	Introduction.....	36
5.2	Analysis of Finding	
5.2.1	Analysis of Result for Respondents' Responses to DiGi and DiGi Brand.....	36
5.2.2	Analysis of Result for Respondents' Responses to DiGi Campus and Satisfaction towards It.....	37
5.2.3	Analysis of Result for Respondents' Responses during Period of Time for Subscribing DiGi and DiGi Campus.....	37
5.2.4	Analysis of Result for Respondents' Responses on Main Purpose of Using Digi Campus and How It Meets the Expectation and Whether They will Continue Use It.....	37
5.2.5	Analysis of Result for Respondents' Responses on DiGi and DiGi Campus Advertisement.....	38
5.3	Discussion of Finding	
5.3.1	Perceived Product Performance.....	38
5.3.2	Perceived Product Brandscape.....	39
5.3.3	Consumer Satisfaction to Perceived Product Performance and Brandscape.....	39
5.3.4	Brand Achievement Cultural Closeness.....	40
5.3.5	Creation of Brand Community.....	41
5.3.6	Creation of Brand Trust.....	42
5.3.7	Creation of Brand Familiarities.....	42
5.3.8	Audience – Consumer Absorption.....	43
5.3.9	Audience – Consumer Anticipation.....	44
5.3.10	Audience – Consumer Articulation.....	45
5.3.11	Audience – Consumer Appropriation.....	46
5.3.12	Audience – Consumer Alienation.....	47
5.4	Summary.....	48

CHAPTER SIX: CONCLUSION

6.1	Introduction.....	50
6.2	Discussion.....	50
6.3	Recommendations.....	51
6.4	Limitations.....	52
6.5	Further Research.....	52

REFERENCES

APPENDIX

Interview Questions

Transcription of Three Focus Group Interviews

TABLE OF RESPONSES

Responses 1: Question ‘What Do You Think About DiGi and DiGi Brand’?	20
Responses 2: Question ‘What Do You Think About DiGi Campus and Are You Satisfied With It’?	22
Responses 3: Question ‘Period of Time for Subscribing to DiGi and DiGi Campus’?	23
Responses 4: Question ‘What Is Your Main Purpose of Using Digi Campus, How It Meets the Expectation and Will You Continue Using It’?	23
Responses 5: Question ‘What Do You Think About Digi or Digi Campus Advertisements?’	24
Responses 6: Question ‘Do You Find the Video Absorbing’?	26
Responses 7: Question ‘What Do You Anticipate In the Story and Does the Content Fit Your Expectation’?	26
Responses 8: Question ‘Can You Articulate Together or Make Sense of the Video, Understand the Events as A Story’?	27
Responses 9: Question ‘Do You Identify With the Video And Appropriate its Message or Want to Make Digi Campus Part of Your Life’?	28
Responses 10: Question ‘Do You Feel Alienated From the Events in the Video’?	29

TABLE OF TABLES

Table 0: Profile of 12 Focus Group Respondents Interviewed.	20
Table 1: Respondents' Responses on DiGi and DiGi Brand.	30
Table 2: Respondents' Responses on DiGi Campus and Satisfaction towards It.	30
Table 3: Respondents' Responses on Period of Time for Subscribing DiGi and DiGi Campus.	31
Table 4: Respondents' Responses on Main Purpose of Using Digi Campus and How It Meets the Expectation and Will They Continue Using It.	32
Table 5: Respondents' Responses on DiGi and DiGi Campus Advertisements.	32
Table 6: Respondents' Responses on Absorption on the Video.	33
Table 7: Respondents' Responses on Anticipation In the Story and Does the Content Fit Their Expectation.	33
Table 8: Respondents' Responses on Articulation or Make Sense of the Video, and Understand the Events as A Story.	34
Table 9: Respondents' Responses on Appropriation of the Message or Willingness of Making DiGi Campus Part of Their Life.	34
Table 10: Respondents' Responses on Alienation from the Events in the Video..	35

TABLE OF FIGURES

Figure 1: The Theoretical Model for the Relationship between Product Performance Quality, Brand Reputation and Satisfaction.	49
---	-----------

CHAPTER ONE

INTRODUCTION

1.1 Introduction

This chapter provides general ideas about this research. It gives a brief description of the research background which is mainly about the context of research, problem statement, and research objective, rationale of research and scope of the research.

1.1.1 Overview of Mobile Telecommunication Industry in Malaysia

Mobile telecommunication industry of Malaysia is entering a new transaction era and is in growth stage. This industry have improve and been enlarge into wider range of functions to maintain the growth of modern technology advancement for better services which are demand by any inhabitants (Yusof, 1998). This is due to the rapidly increase of the consumer interest on high speed internet access and convenience expose to mobile device for unlimited access of the information and services. Consumers nowadays tend to emphasize on the services that they received and they more likely switch to adopt mobile device as their trend in daily life. Thus, the widespread of subscribing the mobile device also has overtaken the fixed-line connection.

The Mobile operators in Malaysia telecommunication industry are Telekom Malaysia, Maxis Communication, DiGi and Celcom. All these main operators have provides services such as domestic fixed line, international gateway, equal access number, spectrum, postpaid, prepaid and own internet service provider. This industry is represented by fixed line but based on the Telecommunication Report Malaysia, by the end of the decade; it will fall to below 15%. This will cause 7% decline of number of fixed line in services in the next five years. Telekom Malaysia shows the operator's fixed-line and data revenues contributed just 41% of the operator's total consolidated revenue in September 2006, and then there had a fall from 51% just 1 year earlier. Besides that, Telekom Malaysia boasted that there will be 74% of growth in broadband subscribers to 732,000. Mean while, the operator's domestic mobile revenues were fixed, the revenues from 10.5% in September 2005 had represented a quarter of the company's total revenue now (Bharat Book Bureau, 2004).

Growth for market of domestic mobile in Malaysia has slowing down as it reaches diffusion. Consumer using of prepaid SIM cards is increasingly in a growth rate but just in a short term because many inactive customers fail to register and being discounted. By the end of 2011, the growth is limited to 27 million of mobile subscriber and they forecast that by the end of five years, Malaysia will have more than 5 million of 3G mobile subscribers. For the market share, Maxis will remain as the leader of Malaysia's cellular market (40%), Celcom (34%) and lastly DiGi (26%) (Bharat Book Bureau, 2004).

The increasingly advance of technology like mobile devices allows communication in an entire new form and helps to convey message around. Through mobile devices, it helps consumers to be always connected and informed. Therefore, mobile communication in Malaysia continually develop their products and services to meets the customers' needs and wants to stay connected to become their community. Various packages are introduced such as corporate rate and family calling rate to maintain their customers. This also helps the community always stay connected with their lovely one and their friends.

1.1.2 DiGi and DiGi Campus

In Malaysia, DiGi telecommunication is one of the mobile service provider and operator which is establish in 1995 and is listed on Bursa Malaysia as Telenor Group. DiGi is the third largest cellular network in Malaysia. It is a subsidiary of the Norwegian telecoms company Telenor which has 61% holding in DiGi. DiGi has become the first telco in Malaysia on 24 May 1995, it launch and operate fully digital cellular network. DiGi use the native dialing prefix identifier of '010', '016', '0143', '0146' and '0149'. The main focus for DiGi is providing excellent customer experience that are simple, innovative and the best through DiGi Prepaid, DiGi Postpaid and DiGi Business.

Recently, DiGi had introduced a new DiGi pack that is DiGi campus which primary for tertiary students in Malaysia who's age below 25 years old and is available at 15 universities and colleges. It was revamped from the previous

D'Campus zone-based Prepaid pack, which was introduced in July 2008. The new DiGi campus is no longer zone-based which is effective from 12 June 2009. To subscribe this line, the users need to bring the valid student ID and Mykad or Passport to the participating dealer or DSS outlets. DiGi campus provided free calls, free SMS after RM2 per day and free surfing after RM 30 per month. Each student DiGi Campus users get to enjoy a 4 years validity period and users of this pack just need to reload once a year to enjoy the promotion.

1.1.3 Consumers and Audiences

Consumer can be defined in various form and they have different roles too. Based on InvestorWords.com, a consumer can be defined as an individual who purchases products and services for their own usage which is not for business and they can be influenced by marketing or advertisement on deciding whether to buy an item or not to buy it. It is important for a firm to understand consumer needs and wants in order to meet them accordingly (Limehouse, 1999). In short, consumer study involves judging consumer satisfaction and loyalty which in turn influences company growth.

Through earlier research, investigators concluded that audiences can be either active or passive (Heeter, D'Allessio, Greenberg & McVoy, 1983). The active audience can be defined as individualistic, 'impervious to influence', rational and selective. In contrast, those who are called 'passive' consumer is conventional, gullible, anomic, vulnerable, and taking the victim role (Frank, pp.51). In research at

the Birmingham Centre for Contemporary Cultural Studies it was argued that audiences decode the media content that they saw on media. Media will reach variety of results as audiences can be from different social group and how they understand may vary. They interpret it differently based on what they see on screen and on their cultural background. Consumer screen reception depends on their cognitive reaction towards the media content. They adapt content on screen and use it in daily life as their culture and basis for developing a sense of self.

1.2 Problem Statement of Issues

Since today's business environment is more customer oriented, the delivery of goods and the services quality in marketing has become one of the most important issues. The customer engages with screen content in marketing in imaginative, play-like ways, immersing themselves. Their subsequent perception of product branding, brandscape, the quality of service delivery and received will affect the customer purchase behavior and their satisfaction with the products and the services. Their expectation and perception before and after they consume the product may be different. Therefore, marketers should identify the DiGi Campus users' reaction to product performance or the branded use of the product as see in 'landscapes' on advertising screens. As a result, they are able to influence the customers purchase behavior and finally their satisfaction on the products services. Thus, it is important to study the perception of customers and its ludic structure in responses to the telecommunication companies in Malaysia in respect to product and brand.

1.3 Research Objective

1.3.1 The General Objective

This study attempted to identify the perception of university students towards DiGi Campus. Their perception is based on the product performance and its brandscape as constructed on television and internet screens.

1.3.2 Specific Objectives

- a) To identify the DiGi Campus product performance and how it is perceived by consumers.
- b) To identify the DiGi Campus brandscape and how it is understood and responded to by audiences of consumers.
- c) To identify the consumer satisfaction based on perceived product performance and how it measures up to the advertised brandscape.

1.4 Rational of Research

This study collects primary data on the university students' perception on DiGi Campus product performance and its screen and their level of satisfaction. Consumer reaction towards the advertisement they are exposed to may be different and the quality of product they received will determine whether they want to purchase or not. These factors will affect consumer attitude toward DiGi Campus.

Not many studies have been conducted on the subject of the mobile telecommunication services industry in Malaysia. Therefore, this research seeks to find out the nature of university students as a consumer in reaction and perception towards DiGi Campus which is one of the package offers by DiGi Company.

1.5 Scope of Research

This research was carried out from July to December 2009. Data was collected through 3 focus groups from Marketing 3rd years students in University Malaysia Sarawak (UNIMAS) with each group consisting of 4 students. The focus group can get a greater insight to the respondents' cognitive and cultural reaction and high response rate compared to other methods. Using the focus group method, the information that is collected is unlimited. The focus group will have the duration of within 30 to 40 minutes.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter provides the important key points regarding the topic of this research based on the existing literature about consumers' perception, their perception of product performances that leads to satisfaction, and product branding and brandscape. The brand reputation of a products or services which influence consumer perception will also be study.

2.2 Product Performance

Products can be tangible and intangible. A tangible product is something that we can see, smell, touch, hear, taste and posses: meanwhile an intangible product is distinct from tangible product. Intangible product can be recognized as services, idea, people and place. A product is used by a company to satisfy customers through some exchange process like features, functions, benefits and uses (Solomon, Marshall, & Stuart, 2008). From the perspective of marketing, a product is not as simple as goods in a package; it is a bunch of attributes that includes the packaging, brand name, benefits and the supporting features that is additional to a physical good. Normally, product must meets the requirements of basic product performance in order to satisfy customers' needs and wants and gain profit for the organization.

Product performance plays an important role in customer purchasing process. Products are evaluated based on extrinsic cues such as its brand name, price and package, its intrinsic cues such as product qualities had been neglected because of it did not available when purchasing occur (Selnes, 1993). In measuring of product performance, services are hard to be measure because customer can only evaluate the service quality after they consume the product. But, good services provided are likely to result in reassure the customer satisfaction, retention and loyalty.

2.3 Consumer Satisfaction

Consumer satisfaction can be defined as their responses to the state of fulfillment of the perceived needs and their judgment on products and services quality (Oliver, 1997). Its measurement is overall evaluation based on the consumption of the product and service. Consumer satisfaction is important because an effective marketing is focusing in retaining existing customers and adding new customers. Their level of satisfaction will determine their loyalty and repurchase action. With a high level of consumer loyalty, consumer will decrease their price sensitivity. Besides the costs of failed marketing and operating costs being reduced due to the increase of customer number, it also improves the effectiveness of advertising, and enhances business reputation (Fornell, 1992). Doubtless, the major dynamic in determining consumer satisfaction is the consumer's own perceptions of service quality (Zeithamal & Bitner, 1996).

Consumer satisfaction is the main purpose in a business, the higher their satisfaction towards the product or service, the higher the company profit. Moreover, the consumers are willing to pay price premiums, provide recommendation and keep loyal to the company if their level of satisfaction is high (Reichheld, 1996). It is critical for the firm to focus on producing high quality of product and services so as to build a long-term satisfaction and retention which then contributing to company revenue. Normally, marketers will use various strategies to attract customers, such as promotion, lower the price, advertising and so on, but this will not last for long. A long term consumer satisfaction and retention is driven by the superior products and services. Thus, company must focus on continuously provide the advance product and service to the customers that they prefer to increase the level of satisfaction and built loyalty among the consumer.

2.4 Consumer Perception

Perception can be defined as a perspective on something that viewed and assess by a person. It provides accurate way to measure how consumer thinks of a company, product and service (2003). As everyone has different belief, their perception towards a certain products and services will be vary (Bitner et al., 1997). Consumers with a certain will perceived their needs and experiences on a certain products and proceed to purchase step if it fits their needs. In short, consumer perception and expectation on product and services play a role in determining customer satisfaction (Lovelock, 1996). Before deciding on purchasing a product,

customer will have certain perception about the product and they will be happy and satisfied if the product quality is exceeding their expectation (Oliver, 1996).

Therefore, consumer satisfaction has crucial link with the consumer perception and expectation on product and services provided which may influence their loyalty towards the company. The value that customer perceive received in a transaction or relationship is satisfaction (Hallowell, 1996). Thus, it is important to be able to understand the consumers' perception, attitudes and needs as well as being able to communicate better with them.

2.5 Brand and Brandscape

2.5.1 Brand

Brand is the most valuable assets a company constructing and it is more an art than a science. Instead of using brand to identify the product and services, it had been defined as a distinguishing name or symbol (Aaker, 1991). "In the literature, branding is described as a process of expressing core values through the use of persuasive stories" (Salzer & Strannegard, 2004). Through branding, product can be recognized in term of its regional, national and in international market. The most useful ways to recognized branding is through product brand name. A good brand name will be more likely to win special attention and position a product to convey message to customers about the product personality and its functions. Brand which is chosen by the consumer is judge as value-added in terms of its purpose and

pleasure, availability, uniqueness and quality (Sheth, 2001). Furthermore, brand reputation is important element that needs to be study for it, as it also effects customer satisfaction towards product and services.

2.5.2 Brand Reputation

Brand reputation had been defined as “a perception of quality associated with the name” (Aaker & Keller, 1990). Purpose of branding is to help in making choices when intrinsic cues and attributes are hard to employ (Hoch & Ha, 1986). Brand name is element of extrinsic cue, but it is not part of the physical product itself. Thus, brand will be used to perceive overall quality. Customer perception on quality of a product and services is correlated with the reputation of the brand name (Shapiro, 1983). Moreover, brand tends to be more connected with the reputation of a company rather than individual products or services.

Consumers will have strong impact on brand reputation once they have direct experience as direct consumption will make attitudes qualities more accessible. The attitude when purchasing occurs will lead to responses towards a product and they will experience satisfaction when the transaction is in progress. Loyalty on certain brand had been study as achievement of brand reputation on product and services and it is important element to determine customer loyalty (Jacoby & Chestnut, n.d). Therefore, it is primary for a product to have brand reputation in order to create satisfaction and built loyalty among them.

2.5.3 Brandscape

Brandscape is known as a space that the consumer occupies and distant are the times when it was supposed that “a good product speaks for itself” (Salzer & Strannegard, 2004). The major challenge in the business world is to create uniqueness and differentiate among the similar products. It is a prime task for the marketer to alter commodities into concepts and consumer daily life. Thus, branding becomes the core business rather than marketing activities. Most of the companies have shift focusing in transform from the production of things to production of images.

Nowadays, in brand itself has become the consumed of sign (Baudrillard, 1983; Featherstone, 1994). Bands like DiGi, Nike, Prada and so on are a symbolic signs that they are communicative; it is not just a physical product. Brands are consumed as aesthetic expression and it is consider as a product in itself rather than a symbol to differentiate from others (Salzer & Strannegard, 2004). Marketer will add in story element in brand so as to distinguish the company product and seek to become more attractive. Consumer are immerse into the brand as part of their lifestyle involves the brand as the brand is flooding the marketplace. Thus, the social landscape had turned into a commercial “brandscape” rather than merely commodities (Salzer & Strannegard, 2004). Brand seems to occupy private and public space once the commercial wall, billboards, cinema, and poster are emerges in society, (Klein, 1999). The marketplace had become “a battlefield of brand names, images and logos striving to be hears” (Christensen & Cheney, 2000, p. 247).

Brand is known as symbolic images. The consumer can actively consume the brand rather than stay passive. The message that convey through the brand can be actively constructed, the narrative told about the brand by the company is just a way the company communicate with the consumer to create easy understanding and distinguish of the brand form competitors. The brandscape is produced by the consumer, constructed as a narrative from the images on screen (Salzer & Strannegard, 2004). Therefore, brand is shown to be connecting to person and places through on screen in attempt to define its attributes and characters. In addition, consumers tend to consume on screen and inhabits the brandscape. In other words, for instance, a cell phone can be shown on screen and further imagined to build relationships among society and denying distance. Thus, a company must implement a successful brand in order to convey the corporate message to the marketplace.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

Qualitative research is being used in this study. It develops a descriptive profile of consumer perception towards related product performance and their reaction towards the product advertisement. This chapter will explain the research methodology that is used in order to help researchers to consider the findings.

3.2 Research Design

Qualitative research is not structured quantitatively and it emphasises consumer understanding rather than measurement (Bradley, 2007). Through this method, respondents' understanding, attitudes and opinions on DiGi product will be surveyed. For this qualitative research, focus groups will be conducted by the researcher. A focus group is also known as group discussion which consists of several people sitting together and having a conversation, then guided by a moderator, this person will close the conversation when he or she deems the time is right and the questions suggested were fully addressed (Bradley, 2007).