THE IMPACT OF SOCIAL MEDIA MARKETING TOWARDS NAZLA ENTERPRISE

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DEDICATION

This thesis is dedicated to my father, who taught me that the best kind of knowledge is to have been that which is learned for its own sake. It is also dedicated to my mother, who taught me that even the largest task can be accomplished if it is done one step at a time

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ABSTRACT

The aim of this research is to examine the effect of social media marketing activities on Naz. In addition, it has been aimed to analyse the effect of brand awareness and brand image on brand loyalty in this research. The population of the research consists of the consumers who actively follow "Nazla Food" on Facebook. In this research, both quantitative and qualitative method have been used and research data has been obtained via online questionnaires shared on social media. The obtained data have been analysed.

As a result of the analysis, social media marketing activities have been found as effective factors on brand loyalty, besides it has been determined that the most obvious effect seen on brand awareness.

ABSTRAK

Tujuan kajian ini adalah untuk mengkaji kesan aktiviti pemasaran media sosial terhadap Nazla Enterprise. Selain itu, ia juga bertujuan untuk menganalisis kesan kesedaran jenama dan imej jenama terhadap kesetiaan jenama dalam penyelidikan ini. Populasi kajian terdiri daripada pengguna yang aktif mengikuti "Nazla Food" di Facebook. Dalam penyelidikan ini, kedua-dua kaedah kuantitatif dan kualitatif telah digunakan dan data kajian telah diperolehi melalui borang soal selidik dalam talian yang dikongsi. di media sosial. Data yang diperolehi telah dianalisis.

Hasil daripada analisis, aktiviti pemasaran media sosial telah didapati sebagai faktor yang berkesan terhadap kesetiaan jenama, selain itu telah ditentukan bahawa kesan yang paling jelas dilihat pada kesedaran jenama.

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CHAPTER 1

INTRODUCTION

1.1. Introduction

The aim of this project is to identify the impact of social media marketing towards Nazla Enterprise. The research is to Improve Nazla's Enterprise current social media campaign and evaluate the effectiveness of social media campaigns on brand awareness, and brand loyalty which indirectly helps to increase the business sales.

1.2. Overview of Nazla Enterprise

Nazla Enterprise has been producing and marketing a wide selection of frozen food of high-quality Malaysian favourite traditional kuih in the Malaysian market. Nazla Enterprise was established in 2009 and has been known for using traditional natural ingredients and spices with perfect blend and potion to gain taste that captures Malaysian's taste buds. The food is not only delicious but also, they are easy to prepare and serve.

Figure 1 Example of Nazla Enterprise's products

Figure 1 shows the Roti canai, popiah, and pau are some of their products that have very high demand since they started the business. The business has an in-house R&D team to develop new products to ensure they are able to follow the fast-moving trend of the food and beverage industry.

1.3. Strategic issues & Challenges

Due to Covid-19 Pandemic, the business revenue has dropped approximately by 40% since the MCO started which can be seen in figure below.

Figure 2 Comparison of Nazla Enterprise's Net Sales since Jan 2019 – October 2020

There are two major reasons and one of them is their major customers are from Johor, Kuala Lumpur, and Pahang where usually the staff will deliver the products personally to each of the customers almost every week to maintain the quality of the product. However, due to MCO, the restriction imposed by the government causes the company to fail to deliver the products to their customers which indirectly decreases the business revenue and loses their loyal customers. Second, Nazla Enterprise's is a direct selling business, therefore when the business is unable to deliver the products to the customers, it causes a huge impact on the sales of the company as the products are unable to reach the customers.

1.3.1. SWOT Analysis

1.3.1.1. Strength

One of the major strengths of Nazla Food Enterprise is their high-quality products and the taste of their products have been constant since 2009. This is because the business has their own recipes for each product, and it has been fixed since 2009. However, they are very flexible where they allow their customers to customize the products based on their preferences. For instance, some customers prefer their food to be extra spicy, and some prefer less spicy. Nazla will produce it specifically for the customers. By doing this, it has led Nazla Enterprise to have a fixed number of loyal customers since 2009.

Next, the business is Halal certificate holder which means that the business prepares and processes their products using suitable and clean tools. The Halal certificate can be associated with Halalan Toyyiban where it does not only show the absence of pork and alcohol in the business, but it covers other aspects as well such as the slaughtering of the animals, cleanliness as well as the safety of the product. By having Halal certificate, it helps to boost Nazla's marketing strategy as it is a great marketing tool for Nazla to market their products since Halal products can penetrate Malaysian market easily due to majority of Malaysian are Muslim and very emphasize on food that they consume. Besides, the halal certificate is a guarantee that the products are of

very high quality since in order to receive the halal certificate the business needs to meet a few standards that have been set by the government.

The main factor why Nazla Enterprise remains in the Malaysia food and beverage industry is due to their well-qualified staff. This is because all the staff hired by Nazla Enterprise have a good background and skills for each of their positions. The current sales and managing officer of Nazla Food has been working in the F&B industry for almost 10 years. Besides, the Nazla Food production team has good teamwork, punctuality, cleanliness as well as attention to detail which is very important to ensure the productivity and efficiency of the production of the foods. In order to make sure that the new staff feel at ease and comfortable to work as a team, they will provide training to the new staff. At the same time, they also provide constant training to their staff to ensure that they can help in providing the best service to the customers. For instance, Nazla Enterprise will bring their new staff to events to make them familiar with the Nazla business environment, provide training on how to prepare the products which will allow them to be familiar with the process of the food and can provide information when being asked by the customers, and how to handle customers' complaints.

1.3.1.2. Weakness

One of the weaknesses of Nazla Enterprise is they are doing a small scale of production. Even though it is to ensure the quality of the food, it has caused Nazla to have a high production cost per unit because there is high labor cost and lesser usage of their machine. When they use less machinery and labour, it shows that they are lacking in division of labor and not fully taking advantage of the existing machinery which leads Nazla Enterprise to have a lower profit margin. At the same time, small scale production means that Nazla Enterprise will buy their raw materials in small quantities which cause them to have a higher material cost since they will not be able to receive discounts.

Next, in order to maintain a good brand image and quality of products, Nazla Enterprise uses direct selling for their business. However, this has become one of their weaknesses. This is because it is hard for the business to reach a wider range of customers since the business needs to approach each of their customers individually. This might be a risk to the brand image as well since people might feel intrusive and annoying which can lead to a negative brand association and cause the number of potential customers to decrease. Nazla Enterprise claimed that they have a low response rate because sometimes the business approaches people who are not interested with the products. Since Nazla Enterprise uses telemarketing, direct mail as well as leaflets and flyers for their business, it has caused them to waste large amounts of money when they approach people who are less likely to buy their products.

Poor marketing strategies is one of the weaknesses of Nazla Enterprise. Generally, marketing strategies are the backbones of the business as it helps in generating awareness about their products among the target customers. However, Nazla Enterprise only used word of mouth, leaflet and joined a few small events. This has caused Nazla Enterprise to not have a wide range of customers, a small number of loyal customers and poor brand awareness.

1.3.1.3. Opportunities

The rise of social media is one of the biggest opportunities for Nazla Enterprise to increase their sales and number of customers. This is because it is one of the cheapest ways to advertise Nazla Enterprise products because word of mouth and other traditional marketing methods are insufficient for the business to draw more customers towards the business. Through social media, customers can share their experiences with the online communities where people tend to share videos and photos which can stimulate the interest of other social media users to try and buy the products. Besides, Nazla Enterprise is able to make engagement with their current and potential customers by asking questions, opinions, sharing photos as well as videos. Since people in 2020 prefer to browse everything online, it is one of the ways that Nazla Enterprise can use to increase brand awareness, number of potential customers which leads to increased sales and profits.

In 2020, consumers are more concerned about their food safety due to the pandemic and few various things have been found. Therefore, they started requiring transparency from all industries including the food and beverages industry because the consumers want to know where their food comes from, how it was produced as well as how it was sourced by the company. Since Nazla Enterprise is doing everything internally from buying raw materials from suppliers, production and packaging of the products as well as delivery the food to end consumers, it makes the business easier to provide transparency of the business towards the consumers. By providing transparency to the customers, it can help the business to promote the practice of the business towards the quality of the products. This will help in increasing the trust of the customers towards the business and brand. The business can provide video tours of the business facilities, interviews with the main employees who handle each area, as well as provide explanations of various tests and standards used by Nazla Enterprise to provide concrete evidence of the quality of the products to the communities.

The pandemic has shaped home cooking trends where starting 2020 home cooking is the new normal to ensure the safety of the food that they consume. Many factors have contributed to the home cooking trend and it is expected that this trend will continue for a few years to come. This is because people start to feel uncomfortable and unsafe to dine-in or buy food at the restaurant which causes them to start to cook for themselves. Next, people who start working from home have stopped going to their usual lunch and breakfast spots near to their office. As for people who are impacted due to the pandemic, they start to cut their expenses and prefer to save their money and cook at home. This new trend is an opportunity for Nazla Enterprises to increase the number of their potential customers since Nazla Enterprises are producing affordable frozen food which can be bought by people who prefer to cook at home but have limited skills, and time in making kuih for their breakfast, tea time or to serve to their guests. Besides, it will be much cheaper if customers buy the products from Nazla Enterprises because the business sells their products at a very cheap price. For instance, with only RM 8 customers can get 30 pcs of frozen donuts, and RM 3.80 for 12 pieces of frozen "pau kacang".

1.3.1.4. Threats

One of the threats that need to be aware by Nazla Enterprises is the rise of the food prices. The uncertainty of the price will impact everyone within the food and beverage industry. There are many factors that impact on the changing of the prices and of the factors is the environmental nature. Due to COVID-19, there is limited access to the raw materials. This is because the food supply chain in Malaysia was disrupted due to the few restrictions made by the government in order to control the virus from spreading all over Malaysia. This is agreed by Surendan (2020), where he stated that restrictions on traffic and limited opening hours cause the disruptions since most of the food products are from farms and located far from the cities. The limited market opening hour is an issue to the food suppliers because they need to reach the wholesale market within the time limit is a bit challenging since the traffic restriction increases the time taken by the suppliers to reach the wholesalers. The next option for Nazla Enterprise to get raw materials will be from the local wet and night open market. However, since it is hard to implement social distancing, the government is not allowing both local wet and night open markets to open during the lockdown period. Even though the restrictions have been lifted, the prices are still in an uncertain condition as the government keeps changing the policies and procedures from time to time since the number of covid cases in Malaysia keep increasing.

Next is the uncertainty of the economy in Malaysia. Generally, the food industry fully relies on the availability of disposable income of the citizens. Therefore, when Malaysians have a large amount of disposable income, the food and beverage industry shines and is able to grow their business as they are able to earn and generate more profit and revenue. However, the business will have a negative impact when the Malaysian economy contracts. Due to the pandemics, there are lots of initiatives given by the government in order to increase the amount of disposable income among Malaysian consumers since people start to reduce their monthly consumption due to the limited amount of disposable income. Thus, Nazla Enterprise needs to be aware of this issue as in order to maintain the business in Malaysia food and beverage industry they need to set the price properly by looking at all perspectives, consequences and impact.

Lastly, the increasing number of competitors is one of the biggest threats for Nazla Enterprises. Lots of initiative and help by the government encourage people to open their own

business. Most of Malaysian start to enter the food and beverage industry where it can be seen that the number of "nasi lemak", "pisang goreng" and traditional "kuih" sellers at the roadside is increasing from time to time and most of them start to frozen their products and sells to their customers since they know people are looking forward to buy frozen food and cook by themselves at their home. Besides encouragement received from the government, ways of distribution become easier because people start to use delivery services from Grab, Food Panda as well as other personal delivery services. Nazla Enterprise need to aware that most of their competitors such as CP Food, Kawan and Tisha's are presence online which make their customers feel more special and can directly interact with the business which will bring lots of benefits to the competitors' business as the business can starts to develop loyal customers and connect with them which will cause the customers willing to buy everything that their preferred seller sells.

1. 4. Research Question

1. To what extent does social media show changes in offering brand awareness to Nazla Enterprise?
2. To what extent does social media show changes in offering brand loyalty to Nazla Enterprise?

1. 5. Research Objective

1. Improve Nazla's Enterprise current social media campaign
2. Evaluate the effectiveness of social media campaigns on brand awareness, and brand loyalty.

1.6. Researchers Roles

For this research, the researcher will perform the research diligently and with high integrity. Besides, the researcher will also obey the Code of Ethics when carrying out the research tasks. Creating a good relationship with all contributors and parties that are involved in the research will also be part of the researcher's roles in this research. Lastly, the researcher will protect and keep the identity of the respondents as anonymous and make sure all responses, data and information only be disclosed to the authorized parties to avoid any issue in the future.

1.7. Research Ethics

As for research ethics, everyone who participates in this research has given their consent and their involvement will be treated in an ethical manner. The identity of the respondents will be always protected, and all responses will only be disclosed to the authorized person. Besides, all data and information will be treated as private and confidential and will only be disclosed to the authorized person. Lastly, all the participants in this research will maintain high integrity and honesty while conducting the research tasks and processes.

1.8. Significance of the proposed research

There are two significance of the proposed research. One of the significance is the interventions from this research will help in improving Nazla Enterprise's brand awareness and brand loyalty which will contribute a high impact to Nazla Enterprise's sales. Besides, the general outcome from this research will allow Nazla Enterprise to remain in the food and beverage industry in the Malaysia market.

1.9. Definition of terms

Direct Selling - A business operation where the sales representative will sell the products and services directly to the customers without having any intermediaries (Lilyquist, 2020).

SWOT Analysis - A compilation of Strength, Weaknesses, Opportunities and Threats of a firm. The main objective of SWOT analysis is to help in providing information and awareness from internal and external perspectives in making business decisions (Grant, 2020).

Accessibility - The ability of the business and products to reach, approach and be used by the business targeted customers (Tim, 2020).

COVID-19 - An illness caused by a novel coronavirus now called severe acute respiratory syndrome coronavirus 2, which was first identified amid an outbreak of respiratory illness cases in Wuhan City, Hubei Province, China (Cennimo, 2020).

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