ANALYZING THE RELATIONSHIP OF TECHNOLOGY SUPPORT, FUNDING AND PRODUCT STRATEGIES IN NEW PRODUCT SUCCESS IN MALAYSIA MANUFACTURING INDUSTRY

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ABSTRACT

The importance of new product development (NPD) has grown gradually over the last few decades, and is now the leading driver of competition in many industries all over the world including Malaysia. There are many critical factors that contribute successful in developing new products. Examples of such critical success factors are top management support, external support, and strategies. Being able to produce a new product is a good indicator for a companies, it’s showed the companies still on the league. However, not all of new product success as it was expected, thus main purpose of this study is to analyse the relationship between technology support, external support and product strategies with new product success in Malaysia manufacturing industries. The objectives of this study is to examine the relationship between technology support, external support and product strategies with new product success (quality guidelines and cost performance). Data was collected through a survey of 40 respondents from various manufacturing companies in Kedah using the approach of quantitative research methods. Analysis of the quantitative data suggests that technology support has a strong positive relationship towards new product development in Malaysia manufacturing industry. Meanwhile for external support and product strategies, there are positive and negative relationship between these variables and new product. At the end of this study, recommendations have been given for future studies.

Key terms: new product development, technology support, external support, product strategies
ABSTRAK

Kepentingan pembangunan produk baru (NPD) telah berkembang secara beransur-ansur sejak beberapa dekad yang lalu, dan kini peneraju utama persaingan dalam banyak industri di seluruh dunia termasuk Malaysia. Terdapat banyak faktor-faktor kritikal yang menyumbang ke arah kejayaan dalam membangunkan produk-produk baru. Contoh faktor-faktor kejayaan kritikal tersebut adalah sokongan pengurusan atasan, sokongan luar, dan strategi. Mampu untuk menghasilkan produk baru adalah petunjuk yang baik untuk syarikat, ia menunjukkan syarikat-syarikat masih mampu bersaing. Walau bagaimanapun, tidak semua produk baru berjaya di pasaran seperti yang telah dijangka, dengan itu tujuan utama kajian ini adalah untuk mengenal pasti hubungan antara sokongan teknologi, sokongan luaran dan strategi produk dengan kejayaan produk baru dalam industri pembuatan Malaysia. Objektif kajian ini adalah untuk mengkaji hubungan di antara sokongan teknologi, sokongan luaran dan strategi produk dengan kejayaan baru produk (garis panduan kualiti dan prestasi kos). Data dikumpulkan melalui kaji selidik 40 responden dari pelbagai syarikat pembuatan di Kedah menggunakan pendekatan kaedah penyelidikan kuantitatif. Analisis data kuantitatif menunjukkan bahawa sokongan teknologi mempunyai hubungan positif yang kuat ke arah pembangunan produk baru dalam industri pembuatan Malaysia. Sementara itu, bagi sokongan dan strategi produk luar, terdapat hubungan yang positif dan negatif antara pembolehubah dan produk baru. Di akhir kajian ini, cadangan telah diberikan untuk kajian akan datang.

Kata kunci: pembangunan produk baru, sokongan teknologi, sokongan luaran, strategi produkt
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LIST OF ABBREVIATION

NPD – New Product Development
NPS – New Product Success
R&D – Research and Development
RMC - R&D and Marketing Cooperation
CFC - Cross-Functional Cooperation
MO – Market Orientation
SME – Small Medium Enterprise
CAT - Computed Axial Tomography
ROI – Return On Investment
CHAPTER ONE

INTRODUCTION

1.1. Introduction
This study explores the relationship of technology support, external support and product strategies in new product success mainly in Malaysian manufacturing industry. In particular, it will touch to highlight the relationship and significance factors of technology support, external support and product strategies in new product development quality. This chapter contains the discussion on the background of study, problem statement, research objectives, research question, scope of study, significance of study, limitation of study and research process.

1.2. Background of Study
In Malaysia’s manufacturing sector there are continuous efforts for development especially in new product development (NPD), it happens in order to accomplish the competitiveness level and innovative capability that up to the global standard. Meeting the global standard is essential as it will lead Malaysia to become a country that capable to manufacture a high-technology, higher-value added and more sophisticated products and services. In addition, involving in joint-ventures and strategy collaborations among local and international institution and developed nations yield a lot of benefits such as Malaysia get respected globally. Indeed, from joint-ventures and strategy collaborations, Malaysia will receive valuable technology transfer and number of expertise of our own. On the other side, Malaysia may also carry out some projects abroad with developed countries expertise while material and labor are from Malaysia. This will give credits to both parties. After a while, Malaysia will be proud to be known as a successful developing country.
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