



Article

# A Review of TM Positioning Marketing Strategy as The Market Leader of Telecommunication Industry in Malaysia

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**Abstract:** This paper presents a comprehensive review of the marketing positioning strategy of Telekom Malaysia (TM), the longest-established and most dominant telecommunications company in Malaysia. Since its inception in 1946, TM has evolved into the market leader in fixed-line and broadband services, positioning itself as a pioneer in technological innovation and customer-centric service delivery. The study aims to explore how TM sustains its leadership status amid increasing market liberalization and growing competition from mobile and fiber broadband providers. Drawing on extensive literature and corporate data, the research adopts a quantitative methodology to analyze TM's strategic positioning efforts. The findings reveal that TM leverages its extensive infrastructure, government-linked status, and brand legacy to maintain a near-monopoly, especially in last-mile connectivity. However, the rise of competitors such as Maxis and DIGI poses a strategic challenge. The study concludes that TM must innovate continuously, invest in customer experience, and modernize its infrastructure to preserve its competitive edge in the rapidly evolving telecommunications sector. Recommendations for enhancing TM's strategic agility and service differentiation are provided to support long-term sustainability in a competitive regional market.

**Keywords:** Telekom Malaysia (TM), Marketing Positioning, Telecommunications Industry, Broadband Strategy, Market Leadership, Customer-Centric Innovation, Fixed-Line Monopoly, Competitive Advantage, Service Quality, Digital Transformation

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## 1. Introduction

Telekom Malaysia Berhad (TM) propositions to its customer the full rate of communications service and solution in wideband, statistics, and fixed line. Being the market leader in broadband, the company is trying to create value for its shareholders in this very competitive environment [1], [2]. The company focuses on delivering the best customer services by continuously improve the services and increasing the innovation. At the same time, it focuses on increased operational efficiency and productivity. The company position itself as a leader of broadband. The concept of position has become one of the strategic fundamental component of modern marketing management. The concept has gained more importance after the finding of researchers that the clear positioning has strong influence on the company performance in term of profitability [3].

Depending the its resource and capabilities which include global connectivity and network infrastructure, the company is having the right resource and capabilities to promote Malaysia as a center for digital services in South East Asia. The company is still pursuing its efforts to generate new ideas and new generation of communication and to improve the lifestyle of Malaysians [4]. Further, the company is making a lot of effort to

support the vision of Malaysia toward high-income nation by 2020 . However, the company is monopolizing the broadband industry in Malaysia and with the new economical agreement that allow other countries to invest in Malaysia, the company has to face strong competition from regional and maybe world players who are highly qualified and have good experiences [5]. The company needs to position itself as the good service provide and be ready to compete with other new entrants. In this paper article, we review the literature on strategic marketing positioning and compare the literature practices with the implementation of positioning by TM. The paper consists of six sections. In the first section, we provide an introduction to the topic. This is followed by a literature review. Next, we present a profile of TM and in the fourth part section [6]. Then present of a research method of the paper. This is followed by the recommendation and discussion. At the last section, we present the conclusions for this paper.

## **Literature Review**

### **Definitions of Positioning**

Many authors have tried to discuss the concept and the implication of positioning, and it was highlighted by them that it is hard to come to relevance and the importance of positioning in business marketing. Manhas pointed out that positioning should not be only a part of the business strategy. However, it should be the basis through which the business strategy is developed. Webster further explained that the concept of positioning is very important for strategic plan, and it was developed in consumer marketing. However, the development was considering the application of the concept for industrial products and services [7]. He also defined the concept of positioning as the company's way to deliver value for its customers.

### **The concept of positioning**

The development of the position is capable of trace back to the 1960s and 1970s. The concept has developed of markets segmentations followed by target and next market structures alteration. Recently here article for Ries and Trout has become one of the highly cited articles in literature [8]. Ries and Trout pointed out of position has started to the outcome. A product refers to a piece of goods or services, or even a company or an institution or the person. The famous marketer Kotler was defining the positions as the acts of design a firm's presenting and imaged to dominate a distinct residence in the targeting markets' mind [9]. A review of the literature related to the positioning concept has shown that the focus on positioning is narrow, and it governed via the two following theme: publicizing; and systematic methods.

### **Positioning the business marketing domain**

By reviewing the literature, it has been found that the concept positioning with the business-marketing domain is highly focused on two main themes and related to specific activities. This included (1) positioning is strongly placed within the general framework of segmentation- targeting and positioning. Secondly (2), positioning is seen by researchers as a fundamental element of product and business strategy. In a step further, a part of the applications domaining, perception is the important types of positions and research has provided clear evidence of the importances that perceptive diagrams (i.e. the equivalent of perception) playing in administrative decisions making . The above, literature shows that the positioning topic has received minor internet of researchers. More research is required to define the term and its applications. Model related to the topic are few and even the operationalization of the topic is not clear in literature and particularly in the domain of business marketing.

### **Company Profile**

The establishment of TM can be traced back to the year 1964 when the company was established as a department of telecommunications of Malaya. Since that time, the company is consistently have introduced the latest technology in communication to the

Malaysian nation. The company turned to private company in 1987, by establishing Syarikat Telekom Malaysia Berhad and listed on the Bursa securities in 1990. TM took its current name in 2005 by adopting the new name TM [10]. During its years of experience, the company has developed this one to be the leader of broadband technology in Malaysia and strong competitors of the telecommunication industry in Southeast Asia. The core business of the company is in its retail, broadly, and international corporate [11]. In 2007 and 2008 the company has, conducted demerging activities resulting in two companies. The first one is TM focuses mainly on the nation's fixed line, services, and provides the nation with internet services. The second one is related to the international area, and it is called TMI or TM Global Berhad (TMI), which meets in local mobile local services.

The corporation is currently offering a broad rate of services, and products. Mainly its services cover retail business, business partners, and wholesales business in addition to the global business. The major business of the company is internet services and voice services. These facilities target regional consumers over the net benefits and the broadband is streaming. The Speech services customer is the strategy customers of TM company while its remains the strategic profits maker for each years [12]. So, in year 2012, tone of voice services' involvement are a significant, 52% of the company revenue. TM company offer additional amount good voice package in order for sustain a permanent fixed link consumer base on to remains leaders in fixing lines sectors. TM ultimate customer are residents and company user, Streamy is particularly more beneficially to housing consumer through good net usages that require high-fast internet. Furthermore, large enterprises do benefits as well.

Some competitors have existed in the Malaysian market. Nearby are a limited broadband approach, which are offered in Malaysia mobiles broadband, Numeral Subscriber Line Fibre optical wireless broadband satellite broadband and WiMAX. The increasing take and administration focused on converting Malaysia interested in a worldwide hub of information system telecom cations have transport in best competitors to the markets [13]. In 2009, 4 3G players, four WiMAX operators and Fiber Optic to community in HSBB projects to boost the markets penetrations TM introduce primary broadband services, Streamyx in year 2001 which use Digital Subscriber Line (DSL) which allow digital data transmission over the wire of telephones networks. Due to TM close monopoly of the nation's last mile joining, Streamyx is now the biggest broadband providing in country like it has 100% nationwide handling. This retail corporation has a consumer base of 1.6 million users, which penetrates 75% of the markets. It offers packages that assortment from RM20 to RM268 for set up to 4mbps speediness for domestic users also packages that limit from RM 148 to RM 1688 for shared users. It possesses power in the sense of stability and speed as it uses for telephone line to connections and its market to unlimiting bandwidth [14], [15].

### **Vision and Mission**

The company believes that connections make everything possible. Therefore, the company strives to provide the right connection to its customers. The company has committed to all its operations and practices to make the lives of its customers better. Based on that, the company stated its Vision as Malaysia's led to make modern production communication provider embracing purchaser requirements through innovations and execution quality.

The corporation has stated that in order to complete its vision it is finalized to do the following which represent the mission of the company in the current time.

- a. Attempt toward customers' services excellence and operating effectiveness.
- b. Develop customers' lifestyle and involvement by presenting innovative recent generations services.
- c. Improving the work of our business customers by giving high value information and communications solutions.

- d. Delivery a value for participants by creating shareholders value and establishing Malaysia's progress and changes.

## 2. Materials and Methods

This paper is a literature review with a case study paper. The methodology of this paper is quantitative. First, the paper reviews the literature related to marketing positioning. Next, the paper identifies the practices of TM in terms of marketing positioning. Based on the literature and the profile of the company, the paper deriving the findings of this study. The search engine was used to identify the papers that are related to positioning. Key words such as positioning, marketing, strategy and a combination of these words have been used to identify the related articles.

## 3. Results and Discussion

According to the review of literature and the profiles of TM, it can be seen that the core business of TM are in voice services, internet, and broadband service. The company has positioned itself as service providers for internet and it is determined to provide the customers with the best services to make their lives better. Currently TM is enjoying semi monopoly because the market entry for these businesses is limited due to many factors such as government regulations and high capital and knowledge required. TM currently can enjoy the advantage of being the largest and the first internet providers. However, in the long run with the customers changing preference and moving to mobile internet, it might endanger the business of TM. Maxis, Digi, YES are provider of the internet, and they might be substitute in the near future for TM internet. TM company is offering an additional competitive voice package to take a permanent secure line based on and to remaining leaders to fixing lines sectors. TM's ultimate consumers are domestic and company users. Streamyx are mainly useful to domestic consumer by high internet usages that be require good-speed internet. Beside this larges business do benefits like. Largest business requires good internet access and good level of business grade services in order to support mission serious applications such as e-business, net-conferences, stream audio/video - portal service- web hosting- also accessing companies LAN to telecommuting employee extranet for value customer and corporate associates.

The core of TM competence is Knowlagent and experiencing in emerging telecommunications service. TM has 68-year history, reflecting it has wealth's of experience in the manufacturing. This abundant experience and knowledge enable TM to being virtually the monopolist of the industry. In order this TM can developing trustworthy relationship between and with investors also the cooperation and consumer. For instance, in 2001 TM became the main partner in the jump of the state-of-the-art submarine cable Asia Pacific Cable System 2 (APCN2). In addition TM is the markets leaders. TM the very effective base of consumers. Unlike in other countries. Malaysia is passed little of legislations to unbundling of last mile connections. The Malaysia Communication and Multimedia Commissions (MCMC) are making limited concession toward unbundling of last-mile connection. Then, although the competitions of the industry. TM managing for retaining the prices for Streamyx till date. Besides that, exclusive resources are also crucial sources that censoriously emphasize competitive advantage and don't be imitated or obtain with others. TM has continually implemented its missions and visions with introduce the modern skill to the Malaysians businesses. This includes ground planet dish situation that successfully provided telecommunications solutions, submarines cable that enables connectivity between other nations. The company has made effort to replace the copper line with fiber optic cables, that can be transmitting information at more betters' qualities and highest speed. In order this consumer have benefits of greeter's access also communications tool. Also, the firm fulfilled its mission and vision as a provider of excellent services. The company also supported its positioning

efforts to position itself as a market leader in the telecommunication industry in Malaysia and the effort is continuous to support this positioning strategy in the regional countries.

#### 4. Conclusion

The aim of this review is to identify the positioning strategy of TM. Available literature was reviewed to determine the practices of other nations and companies in terms of positioning. Further, the profile of the company and its core business and operation were reviewed. After that, the findings were derived based on the literature and the profile of the company. The findings showed that the firm is largest telecommunication corporation of Malaysia, its well-known and located in the Malaysian markets. Each national and foreign person in the Malaysia know about TM- company. The company is enjoy virtual monopoly with having the nation last mile connection through which it can restrict competition to densely populated areas in major cities. The company is fully supported by the management since its a administration-link corporation, which maybe give it the benefits of priority in projects tender and designate it more easier to getting license to get a new technologies. The performance of TM during the years has been documented by the several awards it has achieved. The demerging TM two separate entity and distinct enterprise strategy and aspiration has leading to an internal structure of the company. Despite the division activity, TM is existing domestic controls are deemed appropriate and operation successfully. Additionally, TM has a formal corporation structure and was clear define line of accountability and responsibility, aligned of businesses and operation requirement. TM has assumed global best preparations on Business Governances. Each of the above-mentioned gave the company the power to be the leader of the market. However, changes might occurs soon as the capability of the mobile providers such as Maxis, DIGI is being improved, and both companies now provide internet. That enforces TM to focus more on its customers and find ways to satisfy them and minimize the charge for internet.

Also, implements of developments of HSBB have demonstrated that TM is at the progress in the industry. But TM should continuously reward the competitor for they may have as knowledge in one day. Thus, TM should permanently sustain its technology in progress to maintain its competitive advantage. TM is mission is to be striving toward purchaser services quality and operating efficacy; therefore, it has a very principal for TM to training qualities human resources and recover the service industries that be providing.

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