

**THE INFLUENCE OF FAMILIARITY AND CUSTOMER
INVOLVEMENT ON CUSTOMER SERVICE EXPERIENCE
IN MALAYSIAN PUBLIC HIGHER EDUCATION INDUSTRY**

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Contents

1. Letter of Report Submission	iii
2. Letter of Offer (Research Grant).....	iv
3. Acknowledgements	vi
4. Report	1
4.1 Proposed Executive Summary	1
4.2 Introduction	2
4.3 Brief Literature Review	4
4.3.1 Customer Service Experience	4
4.3.2 Familiarity	6
4.3.3 Customer Involvement	8
4.4 Methodology	9
4.4.1 Sample and Data Collection Method	9
4.4.2 Instrumentation	9
4.5 Results and Discussion	10
4.5.1 Pilot Study Results	10
4.5.2 Descriptive Analysis	10
4.5.3 Exploratory Factor Analysis	11
4.5.4 EFA for Customer Service Experience	12
4.5.5 EFA for Familiarity	13
4.5.6 EFA for Customer Involvement	13
4.5.7 The Pearson Coefficient of Correlation Analysis	14
4.5.8 Multiple Regression	15
4.6 Conclusion and Recommendation.....	15
4.7 References/Bibliography	17
5. Research Outcomes	20
6. Appendices	21



2. Letter of Offer (Research Grant)

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TAJUK PROJEK PENYELIDIKAN DANA KECEMERLANGAN: THE INFLUENCE OF FAMILIARITY AND CUSTOMER INVOLVEMENT ON CUSTOMER SERVICE EXPERIENCE IN MALAYSIAN PUBLIC HIGHER EDUCATION INDUSTRY

Dengan segala hormatnya perkara di atas adalah dirujuk.

2. Sukacita dimaklumkan bahawa Bahagian Penyelidikan & Jaringan Industri, UiTM Cawangan Kelantan telah meluluskan cadangan penyelidikan yang telah dikemukakan oleh puan bertajuk di atas dengan syarat syarat seperti berikut :

- i. Tempoh projek penyelidikan ini ialah 1 tahun, iaitu bermula **1 Oktober 2012** hingga **30 September 2013**.
- ii. Kos yang diluluskan ialah sebanyak **RM5000.00 sahaja**. Puan diminta mengemukakan proposal beserta bajet yang baru mengikut kos yang diluluskan sebelum puan memulakan projek penyelidikan puan.

4. Report

4.1 Executive Summary

The importance of higher education industry to the nation's economy has been well established. It is in line with the vision of the government to make Malaysia a global centre of educational excellence. Managing customer service experience in Malaysian public universities effectively has become an important issue for the government and academician. Organizations are realizing that customers have different customer service experiences every time they have contact with their service provider. In essence, how to manage customers' service experience in every contact point of business is a critical element in increasing the likelihood of success of the organization. The purpose of this study is to explore the influence of familiarity and customer involvement on customer service experience at Academic Affairs Department in Malaysian public universities. Based on an extensive review of literature, measures of customer service experience, familiarity, and customer involvement are identified. A model is developed for the study and hypotheses are formulated. A sample of 454 academic staff from Malaysian public universities was collected through a survey. The data analyses for the study include descriptive analysis, factor analysis, regression and correlation analyses using SPSS 18.0. The most important findings are the significant positive influences of familiarity and customer involvement on customer service experience of academic staff. Therefore, the findings are hoped to provide useful insights to Malaysian public universities' management in managing their academic staff' customer service experience.

4.2 Introduction

In this ever changing business environment, organizations need to create unique offerings to their customers. Creating superior customer experiences seems to be one of the central objectives in today's service environments. Firms around the globe have embraced the concept of customer experience management, with many incorporating the idea into their mission statements. A recent IBM report identifies customer service experience as a key factor for companies to use in building loyalty to brands, channels and services (Badgett, Boyce, and Kleinberger, 2007). Similarly, it has been argued that the success of Starbucks is based on creating a distinctive customer experience for their customers (Michelli, 2007).

When organizations incorporating the concept of customer service experience their strategies, they need to focus on their internal sources such employees, the people who bring the organization alive and who are responsible for the output. Without the employees the organizations would be just a structure made of steel, iron, and glass. Employees are the most important asset the company has. Employee satisfaction levels can affect the quality of service, and therefore are believed to be related to customer satisfaction issue in the service industry, where front line employees have constant interaction with customers and can affect the overall company's profitability and success.

In organizations where service is important, people provide the product. This product is the personal day-to-day contact with customers, and these individual service contacts determine the success or failure of the product. When service organizations put employees and customers first, a shift occurs in the way they manage and measure success. As organizations today become more and more competitive, they must be able to differentiate themselves from the competition. Top-level executives of outstanding service organizations spend little time setting profit goals or focusing on market share; instead, they understand that, in the new economics of service, front-line workers and customers need to be the center of management concern.

In recent years, Malaysia has emerged as an unexpected contender in the world market for international students in higher education. Recognizing this sector as a potential new source of growth and export revenue, Malaysia aims to become a regional hub for higher education. Malaysian public universities are committed towards becoming world class universities by the year 2010 in line with requirements of the MQA (Malaysian Qualifications Agency) introduced by the Ministry of Higher Education. The major concerns and attribute that cannot be compromised is the issue