



THE RELATIONSHIP BETWEEN SERVICE QUALITY AND CUSTOMER  
RETENTION: A CASE STUDY IN NARADA HOTEL  
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## ABSTRACT

In the aggressively competitive situation like the tourism industry, there stood a fair realism that the capability of companies to fascinate and sustain clienteles eventually regulates their development and persistence. This research, thus, explores foremost influences or factors on customer retention which looks into the research framework where customer retention is the dependent variable and service quality is the independent variables. This study also assesses the hypothesis that there occurs a significant association between each of the independent variables to the dependent variable. This research implements numerous statistical procedures, including cross tabulation, reliability, correlation, univariate analysis and multiple regression analysis. This study was principally a quantitative research and involved 180 respondents of guests in Narada Hotel Kota Kinabalu Sabah contributed to the primary data for survey. The results of the research findings founds a significant association between five dimensions of the tested independent variables mainly (Service quality) Assurance, Tangible, Empathy, Responsiveness and Reliability to the dependent variable which is customer retention. Based on the results, the research recommends that Narada Hotel should review what influence their customer retention in order for them to sustain and make their customer loyalty to the hotel.