



UNIVERSITI TEKNOLOGI MARA

**FACTORS AFFECTING CUSTOMER RETENTION ON
INTERNET BANKING IN JERTEH, TERENGGANU**

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ABSTRACT

This study is regarding the factors affecting customer retention on internet banking in Jerteh, Terengganu. It was conducted to determine the factors affecting customer retention on internet banking in Jerteh, Terengganu, to determine the descriptive analysis of customer retention on internet banking, to determine the correlations between responsiveness, reliability, privacy, assurance and efficiency of internet banking with customer retention on internet banking and to determine the regressions between responsiveness, reliability, privacy, assurance and efficiency of internet banking with customer retention on internet banking in Jerteh, Terengganu. In this study, 130 questionnaires have been distributed to the respondents which are internet banking users in Jerteh, Terengganu. The researcher has conducted, reliability analysis, descriptive analysis, correlation analysis and regression analysis in order to achieve the objectives of this study. The findings of this study show that the factors affecting customer retention on internet banking in Jerteh, Terengganu are responsiveness, reliability, privacy, assurance and efficiency. Besides that, the study revealed that only reliability and efficiency has strong positive and significant relationship with customer retention while responsiveness, privacy and assurance has positive relationship but no significant effect with customer retention. At the final part of this research report, the researcher has given recommendations for banking institutions, for government, for customers and for future researcher.

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