

UNIVERSITI TEKNOLOGI MARA

**A STUDY ON CUSTOMER
SATISFACTION IN THE TRAINING
SERVICE SECTOR:
SAFFONE COUNSELLING
TRAINING AND CONSULTANT
SDN BHD**

**NORADAWIAH BINTI MOKTAR
NORAINI BINTI ZAINUDDIN
NOOR ZAIDAH BINTI OMAR**

Dissertation submitted in partial fulfilment
of the requirements for the degree of

Master in Business Administration

Arshad Ayub Graduate Business School

January 2016

ABSTRACT

Saffone Counselling and Training Consultant (Saffone) provides professional and corporate training programs. The ever expanding training industry in Malaysia requires Saffone to remain competitive to maintain the business and ensure higher return. This research focuses on the study of customer satisfaction in the training sector in Saffone by identifying the current business condition of Saffone, determining the relationship between price, service quality and corporate image towards customer satisfaction. The final objective is to propose a strategic initiatives using Blue Ocean Strategy to improve customer satisfaction and ultimately financial performance for Saffone. The primary data was obtained through an interview with key personnel of Saffone. Quantitative data was obtained through survey conducted where questionnaires were distributed to participants of selected courses. Survey questionnaire was analysed using SPSS and analysis such as correlation and regression were used to compute the data. The finding recommended Saffone to focus on its market penetration and product development. There are strong positive relationship between the Price, Corporate Image and Service Quality, the three variables and customer satisfaction. The Blue Ocean Analysis revealed certain initiatives to be taken to increase customer satisfaction and better allocation of its funds. The suggested increase in price would enable funds to be used elsewhere. Service quality dimensions that do not require funding should be raised whilst those that incurs high costs like empathy should be reduced. Reliability and responsiveness can be improved by staff training and better management both of which require minimal injection of funds. Furthermore, creating a customer data base would further enhance Saffone's performance.

ACKNOWLEDGEMENT

To His Most Gracious and Most Merciful, we would like to extend our gratitude as this report finally comes to its conclusion and submitted. Next, we would like to thank our beloved ABR advisor, Dr. Azizah binti Daut for the continuous support and assistance during the progress of our research. We would also wish to express our gratitude to Saffone Counselling Training and Consultancy Sdn Bhd which has participated in this study. We would like to thank the Management of Saffone for providing information required for us in order to complete the study. On a more personal note, we would like to extend our highest gratitude our parents, spouse, children, family members and friends for their endless love, support and encouragement in completing this study. Also, their understanding for the lack of time spent with them during our studies. Also, we are very grateful to our employer and management for being understanding and supportive towards us throughout this research period. Last but not least, to any individuals who have supported, helped and worked with us throughout our journey to complete our Master Degree, we thank you from the bottom of our hearts.

TABLE OF CONTENTS

	Page
AUTHOR'S DECLARATION	ii
ABSTRACT	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v
LIST OF TABLES	viii
LIST OF FIGURES	ix
CHAPTER ONE: INTRODUCTION	1
1.1 Background Of The Industry	1
1.1.1 The Training Industry	1
1.1.2 The Training Providers In Malaysia	2
1.1.3 The Government Initiative	2
1.1.4 The Company	3
1.2 Statement Of The Problem	5
1.3 Objectives Of The Research	7
1.4 Scope Of The Study	7
1.5 Significance Of The Study	8
1.5.1 To The Body Of Knowledge	8
1.5.2 To The Organisation	8
1.5.3 To The Industry	8
1.6 Definition Of Terms	8
1.6.1 Training	8
1.6.2 Customer Satisfaction	9
CHAPTER TWO: LITERATURE REVIEW	
2.1 Background Of The Research Area	10
2.2 Concept And Definition Of Key Components	10
2.3 Components Of The Research Area	11

2.3.1	Price	11
2.3.2	Service Quality	12
2.3.3	Corporate Image	14
2.3.4	Customer Satisfaction	18
2.4	Academic Construct	19
CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY		
3.1	Research Design	20
3.2	Population And Sample Size	21
3.2.1	Target Population	21
3.2.2	Sampling Procedure	21
3.2.3	Sample Size	21
3.3	Instrument For The Research	22
3.3.1	Personal Interview	22
3.3.2	Survey And Questionnaire Design	22
3.4	Data Collection Method	24
3.4.1	Primary Data	24
3.4.2	Secondary Data	24
3.5	Measurement Of Constructs	25
3.5.1	Measurement Of The Price Construct	25
3.5.2	Measurement Of The Service Quality Construct	26
3.5.2.1	Tangibles	27
3.5.2.2	Reliability	27
3.5.2.3	Responsiveness	28
3.5.2.4	Assurance	28
3.5.2.5	Empathy	28
3.5.3	Measurement Of The Corporate Image Construct	29
3.5.4	Measurement Of The Customer Satisfaction Construct	29
3.6	Data Analysis Techniques	30
3.6.1	Descriptive Statistics	30
3.6.2	Reliability Assessment	31
3.6.3	Pearson Correlation	31
3.6.4	Multiple Regression	32
3.6.5	SWOT Analysis	32