

DECLARATION OF ORIGINAL WORK



**BACHELOR OF BUSINESS ADMINISTRATION
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"DECLARATION OF ORIGINAL WORK"**

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Hereby, declare that:

- This work has not previously been accepted in substance for any degree, locally or overseas, and is not being concurrently submitted for this degree or any other degrees.
- This project-paper is the result of my independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

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ABSTRACT

This study aims to identify the relationship between consumer purchasing orientation and how it influence their loyalty toward a restaurant that they had visited before with consumer satisfaction as the moderator. This study consists of two major research questions: 1) What is the connection between active orientations toward consumer satisfaction? 2) What us the relation between consumer satisfaction and consumer loyalty? Two minor questions are also included to gain a more precise result: a) What is the connection between active orientation toward consumer satisfaction? b) What is the connection between passive orientations toward consumer satisfaction?

A questionnaire survey will be distributed to a total of 130 respondents which was approached in person or by using social media as a purpose to distribute and collecting data from the respondents. The questionnaire would be divided into three sections ranging from their demographic information, consumers orientation, consumer satisfaction, and consumer loyalty. The respondent will be asked to answer the questionnaire based on their previous experience when dining in any restaurant around the Kota Kinabalu city centre area and it must be within 1 week before answering the question. The data obtained will be analyzed when the total number of respondents is achieved.

Result of this study found that most of the variables in this study show a positive relationship with each other. The significance value shows good scores for consumer purchase orientation and consumer satisfaction (.012); for consumer satisfaction and consumer loyalty (.000); and for purchase orientation and consumer loyalty (.000). Even though the analysis on each purchase orientation shows a good significance value where active (.000) and passive (.057), the beta value shows another result which is crucial for this study. Active orientation with beta value of .470 shows that consumer with this type of orientation is more loyal than the passive consumer with only .104 beta value. This study intends to help restaurant owners in understanding the market and build effective marketing strategies to maximize their profit making.

CHAPTER 1

INTRODUCTION

1.1: RESEARCH BACKGROUND

Malaysia is globally known for the diversify and vibrant food service as well as restaurant that fulfill every social class needs which ranged from food courts, coffee shops, canteens, hawkers' food centers and different sort of restaurants(Talib, Hashim, Chinna, & Kumar, 2009a). Malaysian restaurant industries have shown to be a high competitive industry. In 2012, as many as 10% growth has been recorded (Euromonitor International, 2012B) and full service restaurant undergo a 5% growth in 2011(Euromonitor International, 2012c). This shows that demand from consumers continues to grow tremendously.Fast food outlets have recorded an increase of 167 outlets which lead to the total amount of 3326 and showed that it is the most demanded and popular choices among consumer so far (Euromonitor International, 2012b). Based on the report by Euromonitor in 2012, casual dining restaurant also began to gain popularity as a result of urban lifestyles among Malaysian, where daily schedule is getting packed with work and dine out have become a routine and recent trend.

The booming number of restaurant making it hard to stay competitive in the market without understanding the customer or target market wants and needs in term of food selection.The struggle to attract customers, differentiating their quality, price, or convenience (location) has shown that the level of competitiveness is very high compare to previous year (Jae, Jung, Sydnor, Almanza, & Lee, n.d.).From the perspective of customer's, the development of restaurant industry would provide a numerous options than before, and creating a competition among the restaurant owner or company in term of food choice and selection. This at the same time making the prediction of consumer restaurant choices pattern increasingly difficult.