



**CUSTOMER'S SATISFACTION TOWARDS FIXED
LINE SMS IN JOHOR BAHRU AREA**

NURUL AZIAH BT RAMLI

**This thesis is submitted in Partial Fulfillment
Of the Requirement of Project Paper (MKT 660)
Bachelor of Business Administration
(Honors) Marketing**

**FACULTY OF BUSINESS MANAGEMENT
UITM, SEGAMAT**

MARCH 2005

ACKNOWLEDGEMENT

Praise is only to Allah (SWT) for the blessing to us.

First, I am grateful to Allah for everything that he has granted. I would like to take this opportunity to express my appreciation and gratitude to the people that involve in this project. Thanks a lot to Pn.Che Faridah Che Mahmood, the advisor of the project for giving me advice and guidance in preparing the project paper. Many thanks also go to presentation panels, Pn. Rohana Ngah, Cik Zanariah Abdul Rahman and Pn. Zailati Ahmad for giving suggestions and valuable comments.

I also wish to express my special thanks En.Rasidin Kadak to Head of Consumer Business Sales Manager of Telekom Malaysia Johor, Pn. Salina Abu Bakar, the Manager of the Customer Management and Direct Sales and Pn. Surayah Sariman as the Executive of Customer Management.

Lastly, thanks to all the staff of Telekom (M) Berhad, Johor especially the customer management unit that has kindly taught me the valuable lessons, shares valuable experience and skills during my practical training. Finally yet importantly, to my beloved parents, my friends and all those who are involved directly or indirectly in the process of completing the project paper. I thank you all very much.

TABLE OF CONTENTS	PAGE
ACKNOWLEDGEMENT	iv
LIST OF TABLES	v
LIST OF FIGURES / CHARTS	vi
LIST OF ABBREVIATION	vii
ABSTRACT	ix
CHAPTERS	
1. INTRODUCTION	
1.1 Background of study	1
1.2 Problem statement	20
1.3 Research Objective	21
1.4 Significance of the study	22
1.5 Hypotheses	23
1.6 Limitation of study	24
1.7 Definitions of term	25
2. LITERATURE REVIEW	
2.1 An overview of telecommunication industry	27
2.2 Scenario of short message service	29
2.3 Customer	30
2.4 Customer satisfaction	32
2.5 Service quality	33
2.6 buyer behavior concept	37
2.7 The theoretical framework	43
2.8 Conclusions	45
3. RESEARCH METHODOLOGY AND DESIGN	
3.1 Data collection method	46
3.2 Variable	48
3.3 The sampling design	51
3.4 Procedure on data analysis	53
3.5 Hypotheses	53
4. ANALYSIS AND INTERPRETATION OF DATA	
4.1 Section A: respondent information	54
4.2 Section C: Customer Satisfaction	61
4.3 Conclusion	67
5. CONCLUSION AND RECOMMENDATION	
5.1 Conclusion	68
5.2 Recommendations	70
BIBLIOGRAPHY	74
APPENDICES	76
Appendix 1- Questionnaire	77

ABSTRACT

Short Message Services (SMS) has been in demand and important in the telecommunication industry. The type of communication benefits many parties in terms of simple and speedy delivery in addition to saving cost. Telekom Malaysia has no exceptions in introducing this type of service to the public. In the last two years, Fixed Line SMS was introduced to the interested parties.

This study aims at looking at the level of customer satisfactions of using Fixed Line SMS and three service quality dimensions are chosen to measure the satisfaction, namely service reliability, responsiveness and empathy. Respondents are Fixed Line SMS customers residing in Johor Bharu areas and they have responded to the questionnaires, which convey their perceptions and grievances as well as suggestions on the service.

The result of the study shows that out of the three dimensions, empathy is the main factor contributing to the satisfaction of the TELEKOM Fixed Line SMS. It is to the TELEKOM staff advantage to ensure that they keep on sustaining "empathy" in their service but ^{at the same also} improving service reliability and responsiveness, if they were to keep their customers happy and loyal to TELEKOM. In addition to an increase in promotion to inform the public about the existing of the service, the pricing strategy should be revised to keep competition at bay.



CHAPTER ONE: INTRODUCTION

1.1 BACKGROUND OF STUDY

The aim of this study is to see the level of customer satisfaction towards Fixed Line SMS referred by Telekom (M) Berhad in Johor Bahru areas. This is important to understanding the customer has needs and wants in order to win new business and keep the existing one. Any organizations should provide their customers a quality product or a service that meets their needs, at reasonable prices and deliver them on time.

Customer satisfaction is not an objective statistic but more of feeling or attitude. Because it is rather subjective and hard to measure. Customer satisfaction can be described by Teboul¹ model, which shown in figure 3-1 the customer's needs are represented by the circle and the square depicts the product and services offered by the organization. Total satisfaction is achieved when the offer matches the need or the circle is imposed in the square. The goal is to cover the expected performance level better than the competitors do. It is very important to listen to the "voice of the customer" in order to meet the customer expectations.

¹ James Teboul, "Managing quality Dynamics" (prentice hall, Hemel Hampstead, 1991) page 37-38