

A STUDY ON CUSTOMER SATISFACTION TOWARDS DRIVING INSTITUTIONS IN INANAM, SABAH

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DECEMBER 2012

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ACKNOWLEDGEMENT

First of all, I would like to thank GOD for HIS great blessing that enabled me to finish this assignment. I would also like to take this opportunity to wish Merry Christmas to all parties who celebrate and are involved in carrying this project to the completion.

I would like to forward by sincere thanks and appreciation to my Supervisor, Mr. Cyril Supain Christopher for his guidance and support in providing ideas in this dissertation. He had provided sincere supervision, good tracks, encouragement and fruitful suggestions in the preparation of this dissertation. My appreciation also goes to the employees of Api-Api Driving Centre (ADC) located at Inanam, Sabah for their generous support during the pilot test interview. I am really thankful to the employees of Api-Api Driving Centre (ADC) Institute for having such positive mindset and giving me valuable suggestions that are useful for my dissertation.

During the completion of this project, I have received a lot of encouragement and assistance from many parties. Due to that, I would like to express my thanks to all who have participated in this research. Without their valuable cooperation and useful ideas, this project paper would not be successfully completed.

Lastly, I wish to express my gratitude to everyone especially my classmates, all respondents and my friends whom had assisted me a lot in preparing this final project. Without them, I would be facing obstacles and challenges to complete this project paper.

Thank you very much.

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ABSTRACT

Particularly for the service industry, one of the appropriate criteria for organizational performance is customer satisfaction. This study entitled, "A Study on Customer Satisfaction Towards Driving Institutions in Inanam, Sabah" is aimed to determining the level of customer satisfaction particularly for the services rendered to them and then relate their service experience with word-of-mouth promotion and repurchase intention. The study was conducted among patrons of Driving Institutions in Inanam area whereby a total of 150 respondents, selected using convenience sampling. The research is descriptive and quantitative using survey method with a self-administered questionnaire adapted from past researches (Høst and Knie-Andersen, 2004; Silverman, 2001; Hamza, 2011). Findings of the study indicate a moderate level of customer satisfaction for the services (mean 3.5248) except for the dimension. End Result with a high level of satisfaction (mean 3.7400). The satisfaction level was significantly different among the driving institutions for the dimensions of Staff Competence (Frequency, 2.984; Significant, 0.033), Reliability (Frequency, 2.770; Significant, 0.044) and Safety and Security (Frequency, 2.868; Significant, 0.039). It was also found that there is a significant difference in customers' satisfaction on the existing services of the driving training and education program by different driving institution. The result also showed that 63.4% gave positive WOM communication and 13.3% gave negative WOM communication while 23.3% remained neutral. The mean score of WOM communication is 6.2200 (standard deviation, 1.88555), showing that the WOM communication level falls at Plus 1 level. The level of repurchase intention was moderate (mean 2.9933). It was also found that there is a weak but significant relationship between customer satisfaction and WOM communication of the driving institution services. The relationship between customer satisfaction and repurchase intention of the driving institution services was not significant. The study proposes that future research should focus on determining the fundamental factors contributing to customer satisfaction of the customers.