



**DEVELOPING A CUSTOMER
LOYALTY PROGRAMME:
A CASE STUDY OF HOCK THENG TRADING**

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ABSTRACT

Hock Theng Trading Sdn. Bhd. is one of the main companies in Sarawak that cater to the signage needs of the business community in the state. Their client comes from such diverse industries like the manufacturing, service-oriented, retail, local/state and federal government.

However, the company does encounter problems like lack of repeat customers and conversion of potential customers into clients. As such, the study looked into the relationship between the firm and its clients and also those that did not use its service. Among the objectives of the Paper was to determine factors that enhance and hinder the relationship, suggest how to retain clients and thereafter develop a customer loyalty programme.

The result of the study shows that price, high quality of end-products and the excellent service provided were the reasons that led clients to opt for Hock Theng's services. The factors that enhanced the relationship were the appeal of its Design, Durability of end-product, Mode of Payment, Professionalism and After-sales service.

The factors that could hinder the relationship are the perceived high price, service not fulfilling requirement and other firms considered to be better.

CHAPTER 1

INTRODUCTION

1.1 Background and Scope of the Study

Hock Theng Trading Sdn Bhd is one of the more prominent and successful local firm that is involved in the sign making industry and in line with the purpose of carrying out a study to fulfill the partial requirement of UiTM's BBA (Marketing) course programme, it has been selected for the research project.

This company is based in Sarawak and has about 20 years of experience in designing, creating and manufacturing signs among which are fabricating signboards, neon lights, display cases, silk screen banners and outdoor advertising such as bus panels, billboards, banners, signage's and so on. Specialising in wood, metal, glass and acrylic constructs, the company is a virtual emporium for customers who need this type of special requirement. Hock Theng is able to undertake all orders from the initial design stage to end product stage, all done in-house by highly trained, skilled and experience workforce.

The company was founded in the early 1980s by its present managing director and owner, Encik Tan Boon Kheng, and he has been running the company since its formative years. Encik Tan brings with him a rich experience in this industry, as he has been involved in it for about forty years. The firm operates from a facility