



A STUDY ON COMMITMENT OF LOCAL COMPANIES IN
KOTA KINABALU TOWARDS LOYALTY PROGRAM IN
ENHANCING RELATION SHIP WITH THEIR CUSTOMERS

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JANUARY 2014

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ACKNOWLEDGEMENT

Being a degree student is synonymous to going through a lot of ups and downs. But as long as you manage to complete your dissertation successfully at the end, it is worth it. Because after completion, only the relieve and joy remains and gracefulness towards all those people who enabled you to come so far.

First of all, greatest thanks to God for his blessings into my life during all this time and also the guidance from God until I was able to accomplish this particular report with full effort and self-confidence.

Further, I am indebted to my advisor Prof.Madya Matyasin Bin Jamli. I want to thank Prof.Madya Matyasin very much for becoming my advisor at the end of my final year in UiTM Sabah, for sharing his knowledge and enthusiasm for his enduring support and patience when I really needed it, for helping me to access valuable data sources, support, guidance, encouragement, positive comments, advice, valuable suggestion, valuable consultation time and concerns throughout the completion of this research. Your supports make me able to finish up this research properly.

On the other hand, greatest appreciations also to my family because being along with me all the times, always support me, giving me their blessings, unconditional love, moral support and also financial support that help me lot in completing this project.

To my office mate at LF Asia (Sebor) Sdn Bhd, thanks to you all because being kind with me, giving me valuable information pertaining to the distribution industries, being helpfulness and friendly to me as well as giving me a grateful cooperation to contribute the information which is required in my project.

Last but not least, greatest thanks from deep of my heart for those entire names who I have not mentioned in this acknowledgement, who directly and indirectly contributed to the completion of this project.

ABSTRACT

The primary objective this study is to understand commitment of local companies in Kota Kinabalu towards loyalty programs. The study was conducted from the currently activities and data collection are collected from the local company area Kota Kinabalu. It is give inspiration for the researcher to study on the commitment of local company towards loyalty program in enhancing relationship with their customer to obtain the data from lenses of the local company in kota kinabalu. For the purpose, 120 questionnaires were distributed, of which return in fully and usable for data analysis, survey results indicate that most of the local company practice the loyalty program but they still need to improve their loyalty program to retain the customer and to increase the company sales. This figure should enough for the local company and other researcher to investigate and to do the further research deeply for future research. In addition, in this research provides limited insight in the determinations of customer's adoption of loyalty programs and neither does existing research. Because loyalty program offer their members certain benefits that non-member do not receive, it is important to know which customers to its program attracts. Furthermore, a retailer needs to understand how he can attract the customers to program that he wants to attract. Retailer may want to withhold customer from holding many different loyalty program simultaneously. The influence of loyalty program design is differently of importance for this issue. Further research could be investigating the potential of requiring entrance fees on loyalty program memberships.