MARA UNIVERSITY OF TECHNOLOGY

"A Study of Customer's Satisfaction towards Unit Trust Consultant (UTC) Service Quality"

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BACHELOR BUSINESS ADMINISTRATION (HONS) MARKETING

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Chapter 1: Introduction

1.0. Introduction

Service sector is a growing and recently has become the most important sector in most countries around the world. In addition, many countries has shift their major economic based from agricultural and manufacturing sector to service sector (Voon Boo Ho and Karen Kueh, 2004). Service sector can be in many form and banking and investment industry is one major part of it. According to Huseyin Arasli (2005) in his research entitled Customer Service Quality in the Greek Cypriot Banking Industry, banking and financial industry is a most demand driven industry which constitute to an important part of service industry.

However, service industry always be linked directly with customer satisfactions. Customer's preferences and lifestyle can be in many forms, and better understanding toward their needs is a key to win their heart (Voon Boo Ho and Karen Kueh, 2004). In Unit Trust investment perspective, offering customers a service to persuade him or her to make investment also require a good understanding in customer service quality. According to a guideline from Securities Commission Malaysia, there are some guidelines for Unit Trust Consultant (UTC) to follow when dealing with customers under section 58(1) of CMSA, must be a holder of Capital Market Service License or must be a registered person to make sure they are the most eligible person to deal with customers especially providing a satisfying service quality.

Unit Trust Consultant is a person that giving free consultation and advices to the customer to make investment. A Unit Trust Consultant (UTC) should possess a sense of responsibility, integrity and professionalism in dealing with unit trust fund and investor (Securities Commission Malaysia, 2008). Fulfilling the investors needs in providing information maybe different from one investor to another. The reason is because the investor came from a different background and definitely brings different expectation toward the UTC's service (Piham and Taylor, 2000). In Malaysia, the role of unit trust fund in Bursa Malaysia is very important where it contributes to 19.91% of Net Asset Value (NAV) to Bursa in July 2012. The value has decrease from 20.31% in June 2012 and 20.61% in May 2012 (Federation of Investment Managers Malaysia, 2012).

Chapter 2: Literature Review

2.0. Introduction

Fauziah Md. Taib and Mansor Isa (2007) have conducted a research about Malaysian Unit Trust Aggregate Performance with an objective of to focus on examining the unit trust performance in Malaysia over the year of 1991 until 2001. This research is basically conducted to compares the movement of performance of unit trust investment year over year. In their research, they found that Unit Trust falls below market portfolio and risk free investment. Another important result of the research is unit trust has been identified as one of the most important investment that contributes to an important portion in Bursa Malaysia.

Meanwhile in 1999, Abraham Pizam and Taylor Ellis from Department of Hospitality Management, University of Central Florida, Orlando, Florida USA, have conducted another research entitled Customer Satisfaction and its Measurement in Hospitality Enterprises. The research been conducted is to discuss and review the topic of customer satisfaction to the hospitality and tourism industry. The dimension used in this research is in a general concept, taken from the famous SERVQUAL dimension developed by Parasuraman (1985, 1988 and 1991). The dimensions are Tangibles; Reliability; Responsiveness; Assurance and Empathy.

Another important research have been conducted is a research conducted by Huseyin Arasli, Salime Mehtap and Salih Turan Katircioglu (2005) entitled Customer Service Quality in the Greek Cypriot Banking Industry. This research narrows down the service quality research conduted by Pizam and Taylor (1999) from service quality in hospitality market to service quality in banking industries which is much nearly similar to this research. In this research, Arasli, Mehtap and Turan also implemented the five SERVQUAL dimensions developed by Pasrasuraman and made it as an important element to test against customer satisfaction. Therefore, this research implementing the same dimensions of SERVQUAL to be main variable to test the relationship between the five dimensions with customer satisfaction.

Chapter 3: Methodology

3.0. Research Methodology

This research is applying descriptive research, therefore some questionnaire is prepared and properly designed to get the information from the respondents. After the questionnaire is properly design, it will be distributed to each respondent to seek their opinion and experiences toward the UTC's service quality toward their satisfaction. The questionnaire is distributed to an equal number of Kuching and Miri respondents.

After all the information manages to gather together, it will be analyzed using SPSS 17.0 version sostware. The software will help to identify the cronbach alpha value as well identify the validity of the research. After the data being process using SPSS 17.0 software, it will be transform into a table to represent and explain each finding. Then it will be presented using Microsoft Power Point to be discussed.

3.1. Sources of Data

First and foremost, the data is gathered through secondary sources such as other researcher's journal. Most of the data are collected from Arasli, Mehtap and Turans (2005); *Customer Service Quality in the Greek Cypriot Banking Industries*. Most of the data about SERQVUAL are found from that journal. Besides, the data also will be collected from primary sources such as questionnaire. The questionnaire will be distributed to each respondent to get the primary data about their satisfaction level towards the Unit Trust Consultant service quality.