PARKSON CLUB CARD AND ITS IMPACT ON CUSTOMERS RETENTION AT PARKSON SQUARE ONE BATU PAHAT, JOHOR.

NOR FAZIDATUL ISNINA BINTI NOR AZMI

2014282208

BACHELOR OF BUSINESS ADMINISTRATION (HONS) MARKETING

FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGI MARA (UiTM) CAWANGAN SEGAMAT JOHOR.

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ABSTRACT

Parkson is a well-known company in a retail business and this retail business was owned by the Lion Group company. Lion Group has begun their business in manufacturing and trading operations since the 1930s and the company has many division of business and they applied diversification method which is their business consist of property management business, mining, steel, computer, agriculture and retail business that known as Parkson. Parkson has launched a card loyalty program since 1 December 2014 and this research is focusing on loyalty program that being used in the club card as the medium to approach the consumer. There are 2 objectives in this research that is to identify the most influence factors on Customer Retention towards Parkson Square One, Batu Pahat, Johor and to identify the factors that give significant impact on Customer Retention towards Parkson Square One, Batu Pahat, Johor. Meanwhile, for the methodology method researcher has used quantitative method with a snow ball sampling to collect the data. The questionnaire have been distributed to 100 respondent that represent the Parkson Club Card holder and the data will be evaluate by using the Statistics Package for Social Science (SPSS) and the relationship between independent variable and dependent variable was explain by multiple regression. Lastly, the results for this research shown that Point System was the most influence factors on Customer Retention and the factors that give significant impact was Point System, Partner with another Company to Provide All-Inclusive Offers and Discount over time or Volume of Goods

CHAPTER 1

INTRODUCTION

1.1   Background of study

Nowadays, business condition are very competitive and challenging that needed a very sensitive awareness and fast response from the organization that require products and services that meet customers' expectations this is because connections with customers' that are loyal to the organization are very treasured by the company and can give the positive influence towards the business organization in all aspect especially regarding the cost which are the cost required to retain customer are more lower than getting the new customer. Besides that, loyalty program that been applied in the business can increase customer's satisfaction and retention which at the same time can reduce the cost of getting new customer and give more profit to them.

Loyalty program has a very huge effect towards the business and can be considered as one of the business strategy for the business organization such as retail shop. Loyalty program can give customer satisfaction and retention to the customer. Thus, when customer are very satisfied with the products and services that they gain from the organization it will encourage the customer to repeat purchases that will lead to positive performance in the company such as increase in sales

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