# UNIVERSITI TEKNOLOGI MARA

CUSTOMER SATISFACTION, RELATIONSHIP MARKETING AND COMPETITIVE ADVANTAGE: A CASE OF MISC AGENCIES SDN BHD! KOTA KINABALU, SABAH

IMELDA ALBERT GISIP CARLMILA FREDDIE J. SIMOL 2006660148 SUZ!E MOHAMMAD

2008880187 2006660082

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### ABSTRACT

The tenets of relationship marketing are useful in understanding the success of a service provider. Companies operate in highly competitive climate and offer a wide variety of new products and services to both individual and business firms. Today, companies find themselves facing more aggressive competition and unlimited opportunities.

One industry where service performance is paramount is the shipping industry. Customers depend on shipping firms to manage a bundle of service activities. For example, if shipping firm fails to complete the complex customer documentation accurately or fails to deliver the goods on time, the customer may suffer dramatically in terms of sales and customer-firm relationship may suffer resulting customer to switch service provider. Hence, an essential ingredient in successful relationship marketing is to keep the customer satisfied on a long-term basis. The key is to develop, maintain and enhance the dynamics of a relationship with a client; the end result will likely be a loyal customer. Unfortunately, except for some works in general shipping relationship strategy literature, little attention has been paid to the specific shipping industry. Therefore to date, there is a poor understanding of any role of relationships in shipping industry.

The purpose of this study is to identify reasons for choosing MISC as shipping service provider and to rate MISC's customers' satisfaction level on specified service elements in bid to strengthen its relationship marketing strategy. This research therefore included a measure of customer's evaluation of the service provided by MISC. A set of questionnaire was distributed to 38 respondents. In order to analyze the findings factor analysis and chisquare test were performed to produce more sensitive results.

The result of this research revealed that the main reasons MISC is chosen as the most preferred shipping company include good relationship, good service and competitive freight rates. However, findings also revealed that level of satisfaction among respondents who uses other than MISC's services for service elements in terms of freight rates, service personnel and promptness of shipment are found to be fair and below. These are the main areas that could be considered for further improvement by MISC.

Keywords: customer satisfaction, relationship marketing, competitive advantage, shipping

# TABLE OF CONTENTS

		Page
Ackn	owledgement	i
Abstr	act	iii
Table	of Contents	iv
List C	Of Appendices	vii
List C	Of Figures	viii
List C	Of Tables	ix
List C	Of Abbreviation	х
	CHAPTER ONE	
	INTRODUCTION	
1.	Background of the Research	
	a) Malaysia International Shipping Corporation Berhad (MISC Bhd)	1
	b) MISC Agencies Sdn Bhd Sabah (MISA Sabah)	2
	c) MISC Agencies Sdn Bhd Kota Kinabalu (MISA KK)	2
	d) Management Issues and Concerns	3
1.2	Problem Statement	6
1.3	Objectives .	6
1.4	Service Quality Factors and Customer's Preference Model In Shipping Lines	8
1.5	The Scope of Study and Coverage	9
1.6	Significance of Study	9
1.7	Limitations and Constraints	10
1.8	Terms and Definition	11

## **CHAPTER TWO**

## LITERATURE REVIEW

2.1	Introduction	12
2.2	Shipping Industry in Malaysia	12
2.3	Sabah's Logistics Challenges	14
2.4	MISC's Challenges in Sabah Shipping Industry	15
2.5	Relationship Marketing	18
	2.5.1 Relationship Marketing To Create Competitive Advantage	20
2.6	Customer Satisfaction	21
	2.6.1 Customer Satisfaction Issues In Shipping Industry	22
2.7	Competitive Advantage	23
	2.7.1 Competitive Advantage In Shipping Industry	24
2.8	Creating Competitive Advantage Through Relationship Marketing and Customer Satisfaction	26
	CHAPTER THREE	
	RESEARCH METHODOLOGY AND DESIGN	
3.1	Introduction	28
3.2	Research Design and Methodology	28
3.3	Primary Data	29
	3.1.1 Qualitative Method	30
	3.3.1.1 Personal Interviews	30
	3.3.2 Quantitative Method	30
	3.3.2.1 Questionnaire	30
3.4	Secondary Data	31
3.5	Data Collection Method	32
	3.5.1 Population	32
	3.5.2 Data Collection Technique	32