

UNIVERSITI TEKNOLOGI MARA

THE INFLUENCE OF SERVICE DIMENSIONS ON CUSTOMER  
SATISFACTION OF FAUZEE MUSTAFFA & ASSOCIATES SDN BHD, PASIR  
GUDANG

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## ABSTRACT

Malaysia's Takaful industry continues to expand at an astounding rate. Back in 2010, there were only 12 Takaful operators in Malaysia that are licensed by Bank Negara Malaysia, and today, there are over 100,000 takaful agencies in Malaysia. Fauzee Mustaffa & Associates Sdn Bhd (FMA) is one of the takaful agencies that is located in Pasir Gudang, Johor Bahru. This study identifies the influence of service dimensions on customer satisfaction of Fauzee Mustaffa & Associates Sdn Bhd, Pasir Gudang Johor Bahru. Since Fauzee Mustaffa & Associates Pasir Gudang is experiencing an increased level of competition; hence they are required to improve their service and infrastructure to ensure a profitable business activity in the future. This can yield direct benefits to the organization and this might give an aspiration to organize the business models regarding optimum sources of service quality. By using the SERVQUAL Model by Parasuraman as the independent variable and customer satisfaction as the dependent variable, a questionnaire was distributed to 236 respondents, and the study's findings are significant in terms of customer satisfaction.

An intensive strategy that considers use of the profitable business activity to be undertaken based on the horizontal integration for market expansion. This is based on the grow-and-build strategy on the insurance digital infrastructure. The 25-34 years in the working population brings consideration towards 36.9% of the insurance to be brought into the Malaysian sector. Residual Mean Square = 5.225, with the actual observations made, thus consider the utilisation of the SERVQUAL framework to be accurate. This also makes the undertaking of the framework with high emphasis on the service supply chain in consideration with the computed of the residual mean but at lower value. Adjusted R square = 0.968, makes the consideration that 90% of the variance of the customer experience is dependent on the service variable of reliability, assurance and responsiveness.

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# CHAPTER 1

## INTRODUCTION

### 1.0 Introduction

This chapter introduces on the research title in line with problem statement and research aims. The research discusses background of the study that makes the several concepts to be also laid. This also, brings the aims and objectives to be discussed. As in line with the research aim designed, it makes the introduction chapter to be the foundation of the reject dissertation lying about the research questions too. The scope of research as well as the academic significance brings the research topic to be laid out for the evaluation of results. The research also presents glossary of terms to be used as with key approaches.

### 1.1 Research Background

Quality services help in meeting the needs and expectations of the customers. As stated by Pakurár et al (2019), quality service and customer satisfaction are key factors determining the success of companies. It has been observed that certain factors like the source from which the customer has heard of the company and the interpersonal relationship with the insurance agent play a significant role in the insurance company gaining recognition on the market or selling its products (Alhassan & Fiador, 2019). Customer satisfaction is the only strategy for insurance companies to remain profitable in the market(Gremler& Gwinner,2019).Most economic firms have long prioritized service quality. Delivering great service is essential for success and survival in today's competitive climate, which is even more so in the current corporate world of fierce rivalry (Sandhu &Bala, 2011). Another claim made by Mosahab et al. (2010) is that customer loyalty, which is a crucial component of company continuity and is linked to organizational success, is directly tied to service quality (Njovo&Makacha, 2015).