

A STUDY ON CUSTOMER RETENTION-A CASE OF
MALAYSIA INTERNATIONAL SHIPPING
CORPORATION (MISC)

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TABLE OF CONTENTS

TABLE OF CONTENTS	PAGE
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v
LIST OF TABLES	vii
LIST OF FIGURES	x
ABSTRACT	xii
CHAPTERS	
1.0 INTRODUCTION	
1.1 Background of Problem	1
1.2 Background of MISC	2
1.3 Scope of Study	4
1.4 Problem Statement	5
1.5 Research Objectives	6
1.6 Research Question	7
1.7 Theoretical Framework	8
1.8 Limitation of the Study	9
1.9 Significance of the Study	10
1.10 Definition of Terms	11
2.0 LITERATURE REVIEW	
2.1 Customer Relationship Management	13
2.2 The Cost Of Losing A Customer – “The Surprising Truth”	15
2.3 Customer Retention - A Simpler Approach	16
2.4 Next Outlook on Shipping Industry	18
2.5 Intense Competition Ahead for Container Shipping	19

3.0 RESEARCH METHODOLOGY AND DESIGN	23
3.1 Definition of the Population and Sample	20
3.2 Data Collections	20
3.3 Research Design Used	23
3.4 Sampling Methods Used and Sample Size	23
3.5 Questionnaire Design	24
3.6 Data Processing and Analysis	24
3.7 Charts and Graphs	25
4.0 RESEARCH FINDINGS AND ANALYSIS	33
4.1 Respondents Background	26
4.2 General Information	35
4.3 History and Problem Identification	57
4.4 Cross Tabulations	71
5.0 RESEARCH CONCLUSION AND RECOMMENDATION	40
5.1 Conclusion	81
5.2 Recommendation	83
BIBLIOGRAPHY	86
APPENDICES	45
Appendix I – Questionnaire	87
Appendix II – Photographs	90
Table 21 – Purpose of Using MISC Services	46
Table 22 – How Did You Know About MISC	48
Table 23 – What Make You Choose MISC (Competitive Freight Rate)	50
Table 24 – What Make You Choose MISC (Ample Equipment)	51
Table 25 – What Make You Choose MISC (Space on Vessel)	52

ABSTRACT

Retaining customers is good for a firm's economic health. Customer retention can have a direct influence upon profitability. The relationship between customer retention and loyalty has been discussed by scholars for a number of years. The goal of customer retention is to convert first-time or occasional buyers into loyal, long term customers. And to accomplish this, a business needs to understand what it is that converts the occasional or first-time buyer into a loyal customer. This research has mainly focused upon the extent to which customers repeatedly use MISC Agencies Sabah (MISA) freight services, the factors contributed to repeated usage of MISA services by its customers and the influence of satisfaction and dissatisfaction upon retention. Customer satisfaction is assumed to lead to good things," such as attitude change, repeat purchase, and brand loyalty." (Churchill and Suprenant 1982), lower costs of attracting new customers, (Fornell 1992) and lower costs of handling returns and complaints (Crosby 1979; Garvin 1988).

1.5 Research Question

The study has discovered that customer retention for MISC do exist as suggested by the number of loyal customers for this firm. Technical service quality was a dimension towards customer satisfaction of customers who just started to using the MISC services for a shorter time period. Meanwhile, a loyal customer does look into another aspect towards customer satisfaction that is through the functional service quality. This study also discussed on customer dissatisfaction as identified from their comment and suggestion. Recommendation also put forward to improve the present services and any related factors for the maximization of customer satisfaction.