

**A STUDY OF FACTORS THAT INFLUENCE
CUSTOMER RETENTION TOWARDS SERVICE
AFTER SALE DONE BY TELEKOM MALAYSIA,
MELAKA**

ZARAZILA BINTI UZIR

**Submitted in Partial Fulfillment
of the Requirement for the
Bachelor of Business Administration (Hons)
Marketing**

**FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
MELAKA**

2009



**BACHELOR OF BUSINESS ADMINISTRATION
(HONS) MARKETING
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
MELAKA**

“DECLARATION OF ORIGINAL WORK”

I, Zarazila Binti Uzir, (I/C Number:)

Hereby, declare that,

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any other degrees.
- This project paper is the result of my independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature:

Date: _

ACKNOWLEDGEMENT

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

I would to express my high and sincere gratitude and appreciation to those people (individuals/groups) that contributed and helped me during the industrial training at Business Sales Department, Telekom Malaysia Berhad, Melaka.

First and foremost, I would like to thanks Allah, for making me stand where I'm standing right now. A special thanks to my beloved parent for supporting me through this program. They are the reason I managed to get through this program. They have been supporting me since the day I mentioned about industrial training.

I am also would like to express my deepest gratitude to my advisor, Madam Rafidah Binti Abd. Azis for giving me the guidance, encouragement and concern throughout the preparation of this project paper and also to my second advisor, Madam Zuhairah Binti Hassan.

To Telekom Malaysia Berhad especially for Business Sales Department for opening up chances for the industrial training. Madam Sapiah Binti Ahmad, Head of Business Sales Department and all staff of Business Sales Department for their full cooperation in helping me gathering the data and information needed during my practical training.

ABSTRACT

As we know Telekom Malaysia Berhad is the largest telecommunication company and also second largest telecommunication company in Southeast Asia's. Telekom Malaysia offer a services and products that emphasizing protection and apprehensive for their customer.

Telekom Malaysia Berhad plays an important role in the economic growth of Malaysia. This research is made at Business Sales Department. This department is focusing more on corporate and company sector, legal sector and other government sector that contributing to the highest share of Telekom Malaysia.

This research is about a study of factors that influence service after sales on the customer retention done by Telekom Malaysia Berhad, Melaka. The factors that effect customer retention are customer satisfaction, customer trust and also switching barriers. Business Sales Department, at Menara TM MITC is focusing on business customer that has an account amounting from RM 10, 000 to RM 500, 000.

The study will be involved by the Business Sales Department and its covers different customer segments, which are small business (S10 and S20), major business band 1 (M10), major business band 2 (M20), major business band 3 (M30) and major business band 4 (M40).

From the research, I find that the retaining strategies which are being used by Business Sales Department have positive impact on retaining their present customer. Overall the respondents are satisfied with the products and services. There are 50 respondents used in this research that contains the entire customer segment of Business Sales Department, Telekom Malaysia, Melaka.

TABLE OF CONTENTS	PAGE
TITLE PAGE	i
DECLARATION OF ORIGINAL WORK	ii
LETTER OF SUBMISSION	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v
LIST OF TABLES	vii
LIST OF FIGURES	ix
ABSTRACT	x
 CHAPTER 1: INTRODUCTION	 1
1.1 Background Company	2
1.2 Background of Study	4
1.3 Problem Statement	6
1.4 Research Questions	9
1.5 Research Objectives	10
1.6 Theoretical Framework	11
1.7 Research Hypothesis	14
1.8 Scope and Coverage of Study	15
1.9 Significant of the Study	16
1.10 Definition of Terms	17
1.11 Limitation of the Study	18
 CHAPTER 2: LITERATURE REVIEW	 20
2.1 Definition	21
2.2 Customer Satisfaction	21
2.3 Customer Trust	25