

**A STUDY ON RELATIONSHIP BETWEEN SERVICE
QUALITY AND CUSTOMER LOYALTY: A CASE
STUDY OF MELAKA INTERNATIONAL TRADE
CENTRE (MITC)**

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

**FACULTY OF BUSINESS MANAGEMENT
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MAY 2007

ACKNOWLEDGEMENT

First and foremost, thankful to Allah s.w.t, I am able to finish this project paper properly. I am especially grateful to Dr.Nooraini Mohamad Sheriff as my first advisor, who has advised and provided me many opportunities to put ideas into practice and thus broaden my understanding of doing a research as it is currently practiced.

My special thank and deepest appreciation goes to my second examiner Ms Asma' Rashidah for her contribution in evaluating my research. Beside that, I would like to say thanks to Prof. Dr. Arshad Hashim and En. Norazman Harun who were involved in facilitating my data analysis.

I would like to express special thanks to my supervisor, Ms. Agnes Wong and all staffs at MITC. I would like also to thank all respondents, who give me feedback from customers' perspective on MITC's service performance.

Finally, I wish to express my appreciation to my family and friends for their constant support, encouragement, and sacrifices during the creation of this project paper.

Thank you.

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ABSTRACT

There are so many competitors in the industry especially from the service industry. In this regard, MITC has a crucial and challenging task in monitoring as well as measuring customer satisfaction and loyalty towards its service quality. Therefore, the objectives of this study are to ascertain the customers' level of perception and loyalty towards MITC service quality and to determine the relationship between the two variables. The researcher has used service quality to measure the customers' perception towards MITC's service performance. There are five dimensions under service quality included tangible, reliability, responsiveness, assurance, and empathy. Beside that, to measure the loyalty, the researcher focuses on repurchase intention and recommending to others.

Furthermore, the populations for this research are the customers of MITC which totaled 384. The target population is customers that have used MITC's service in Melaka from Jan 2003- Dec 2006. The sample size of this study is 50 respondents. The study involves a descriptive research in order to describe the characteristics of variables chosen. Moreover, the probability sampling has been chosen by the research to conduct this study. The statistical techniques that were used to analyze the data are reliability test, frequency distribution, and Pearson correlation coefficient. From the findings, it can be concluded that MITC's performance is good and most of their customers are satisfied, happy and loyal towards MITC's service quality. Therefore, it is clearly seen that service quality has a direct relationship with loyalty.