

**THE FACTORS THAT CONTRIBUTE TO  
CUSTOMER RETENTION FOR CHEVROLET  
IN DRB-HICOM BERHAD**

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

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BACHELOR OF BUSINESS ADMINISTRATION  
(HONS) MARKETING  
FACULTY OF BUSINESS MANAGEMENT  
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**"DECLARATION OF ORIGINAL WORK"**

I, Noor Aznina binti Naim, (830404 – 14 – 5242)

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 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:

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## LETTER OF SUBMISSION

29 November 2006

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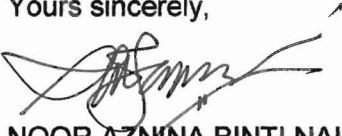
Dear Madam,

### SUBMISSION OF PROJECT PAPER

Attached is the project paper titled **"THE FACTORS THAT CONTRIBUTE TO CUSTOMER RETENTION FOR CHEVROLET IN DRB-HICOM BERHAD"** to fulfill the requirements as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank You

Yours sincerely,



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<b>TABLE OF CONTENT</b>	<b>PAGE</b>
<b>ACKNOWLEDGEMENT</b>	iv
<b>LIST OF TABLES</b>	v
<b>LIST OF FIGURE</b>	vi
<b>ABSTRACT</b>	vii
 <b>CHAPTERS</b>	
 <b>1. INTRODUCTION</b>	
1.1 Background of the Study	2
1.2 Background of Company	3
1.2.1 Automotive	4
1.2.2 Hicomobil Corporate Info	4
1.3 Problem Statement	5
1.4 Research Questions	8
1.5 Research Objectives	8
1.6 Theoretical Framework	9
1.7 Significance of the Study	10
1.8 Scope of the Study	11
1.9 Limitations of the Study	12
1.9.1 Time Frame	12
1.9.2 Respondents	13
1.9.3 Confidential	13
1.10 Definition of Terms	13
 <b>2. LITERATURE REVIEW</b>	
2.1 Customer Retention	17
2.2 Methods Being Used to Improve Customer Retention	20
2.2.1 Relationship Marketing	20
2.2.2 Customer Relationship Marketing (CRM)	23
2.3 Long-Term Relationship	25

## **ABSTRACT**

As market growth slows or as markets become more competitive and level of switching costs increase, firms are more likely to attempt to maintain their market share by focusing on retaining current customers. Customer retention has been advocated as an easier and more reliable source of superior performance. This research utilized a convenience methodology to improve customer retention, and the researcher has helped the firm identifying the factors that contribute to retain customer and initiate a variety of strategies to accomplish this objective. Four factors that contribute to retain customer that had been identify by researcher consists of long-term relationship, relationship commitment, trust and service quality.

The findings highlight that all the four factors do contribute to retain customer and the firm should take action and focus more on these four contribution factors in order to retain and keep their customers loyal. The researcher also identified the causes that lead to the decrease of the firm customer retention rate and had come out with few recommendations. The recommendations that can be taken into consideration such as formation of customer-contact-employee relationship, effectiveness communication to build trust and establishing customer loyalty programme. By implementing these three recommendations, the researcher optimism that it will help the firm to better upgrade its performance and any area that is not running well in their management for future use.