

**FACTORS THAT CONTRIBUTE TO THE  
EFFECTIVENESS OF PERODUA CUSTOMER  
RETENTION PROGRAM**

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

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

**2007**

## DECLARATION OF ORIGINAL WORK



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

### “DECLARATION OF ORIGINAL WORK”

I, Norfa'izah Binti Safaruddin, (I/C Number: 851119-14-5684)

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: \_\_\_\_\_



Date: 11 MAR 07

## LETTER OF SUBMISSION

11 May 2007

The Head of Program  
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Dear Sir,

### SUBMISSION OF PROJECT PAPER

Attached is the project paper titled "**FACTORS THAT CONTRIBUTE TO THE EFFECTIVENESS OF PERODUA CUSTOMER RETENTION PROGRAM**" to fulfill the requirements as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank You

Yours sincerely,



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## **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. Three factors that contribute to retain customer that had been identify by researcher consists of commitment, service quality and long-term relationship.

The findings highlight that all the three factors do contribute to retain customer and the firm should take action and focus more on these three contribution factors in order to retain and keep their customers loyal. The researcher also had come out with few recommendations. The recommendations can be taken into consideration. By implementing these 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.