



**CUSTOMER RETENTION OF SKIN CARE PRODUCT
AMONG UNDERGRADUATE STUDENT IN UITM SARAWAK**

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LETTER OF SUBMISSION

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Dear Sir / Madam,

SUBMISSION OF PROJECT PAPER (MKT662)

Attached is the project paper title “**CUSTOMER RETENTION IN SKIN CARE PRODUCT AMONG UNDERGRADUATE STUDENTS IN UITM SARAWAK**” to fulfill the requirement as needed by the Faculty of Business Management, University Technology MARA

Thank you.

Yours sincerely,

NURUL ATIQA BINTI NOR AZMAN

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ABSTRACT

Skin care cosmetic product is a large domestic industry in the Malaysian market due to high demand from the Malaysian people. Therefore the competition in this industry is very intense between competitors. One of the best strategies to compete and survive in the market place is to know the customer retention towards skin care cosmetic. Therefore, this research is study on 'Customer retention towards skin care cosmetics products among undergraduate students in UiTM Sarawak'.

The main purpose of this study is to study the customer retention towards skin care cosmetics products. The independent variables for this research are the factors that would contribute to the customer retention. They are price, customer satisfaction and trust. While for dependent variable for this research, is customer retention.

The researcher adopted conclusive research instead of exploratory research in order to get the best decision in at the end of this research and give the best recommendation to this study. Next, the researcher also use the descriptive research design to obtain clearly problem statement, objective, and necessary details to complete the better understanding on customer retention towards skin care product. In this study, researcher use non-probability sampling design which is quota sampling. Based on quota sampling, 360 questionnaires are been distributed to all female students who are still pursuing their Diploma and Degree studies in UiTM Sarawak.

CHAPTER 1: INTRODUCTION

1.0 Introduction

The purpose of this research is to study about Customers' Retention towards skin care cosmetic products among undergraduate students in Uitm Samarahan. The dependent variable is consumers' retention in this study and it been measured by the independent variable which is the price, customer satisfaction and trust.

This chapter will present the background study, the problem statements, the research questions, the research objectives, the significant of the study and the scope of the study. It also involves detailed information about the background of the skin care cosmetic products and why this study is valuable. Next, the researcher will highlight several issues that will emerge from the problem statement of this research while the researcher wants to make a clear conclusive statement that needs to be obtained in the end of this research. Lastly, the researcher will indicate to whom this research is beneficial. Therefore, this section is important because it helps to give knowledge about further explanation and basic information about the research study before the research continues with the next chapter.

1.1 Background of Study

When the firm is successful in the market place, the competitors will see this as an opportunity to enter the market to, thus the market tend to be saturated. Therefore in order to be successful in the market, the firm must have competitive advantages that no one else has in order to retain its customers. By succeeding in having loyal customers towards their products, the firm will enhance its economies of scale as the cost in attracting new customers will be lower such as in terms of advertising or packaging. According to Porters' Five Forces Model (marc, 2014), it is necessary for the firm to identify and retain those customers that make up a larger chunk of the business if a competitor is after the firm's share of the market. This means that the right people are paying attention and better ways are advised to fulfill their needs.

Frequently, cosmetics seems appeared to be linked with female as it is being associated to any image building studies according to their age of groups, nature of career, and also the geographical factors where they are living in. They use the cosmetic in their daily life