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

**A STUDY ON SERVICE MANAGEMENT STRATEGY TOWARDS CUSTOMER
RETENTION IN PROVET GROUP OF COMPANIES SDN. BHD.**

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LETTER OF TRANSMITTAL

28 June 2018

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Dear Madam,

SUBMISSION OF PROJECT PAPER

Attached is the research report title "A Study On Service Management Strategy Towards Customer Retention in Provet Group Of Companies Sdn. Bhd." to fulfil the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely



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ABSTRACT

In recent years, customer retention has gained increase value among both goods and service providing firm. A few problems that catch the researcher attention to study in-depth about customer retention is firstly because the increasingly corporations and business in the veterinary industry that vying the customer attention. Other than that is because there is customer who switching their current supplier although they satisfied with the services. Those problems were influenced the customer retention, and so the researcher need to identify the relationship between service management strategy that can influence the customer retention throughout this research study. The researcher using five independent variables (customer relationship, standardization & specification, delivery, after sales services, responsiveness) to relate with the dependent variable (customer retention). However, although extensive research exists on the concept of customer retention and its measures and instruments, studied and research on how professional firm's organization retain their customers remain limited. The data were collected through questionnaire and interpret using SPSS data analysis. The findings of this study first and foremost indicate that professional organization firm do not have any formal procedure which they firmly follow when it comes to retaining their customers. Further the findings from this study indicate that in order to retain customers over time, the firm organization need to place more efforts on the creation of personal relationships with the customers, as it is a strong bond trying customers to the firm. The findings further imply that the creation of customer satisfaction and the creation of switching barriers are the main strategies employed by the firms, for retaining the customers. Other factors affecting professional service firms' retention strategies are the firms' ability to convey confidence, to get the customers involved, and to be able to deliver good quality services. Along with the research study and findings, the researcher found that, the organization need to upgrade their management system on delivery processing and also have consistent customer relationship management for them to monitor. In advance, for the future research, the researcher suggests that they could take a longer time frame and re-assessing and expanding variable, framework addressed in the research study.

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CHAPTER 1: INTRODUCTION

1.0 BACKGROUND OF STUDY

In this 21st century, our nation has facing rapid growth and constantly expanding in the business industry, every company and industries no matter size of the scale, category of business or geography phases were demanding more consumers, the same thing goes to veterinary industry, increasingly tough competition and soaring expenditure for development. (Malar, Vanithamani, & Srinivasan, 2017) Regarding this event, the researcher believes to maintain the business and to remain profitable in this competitive industry, companies are forced to venture with different ways to operate their business. It is not only dependent to its product or services to attract and retain new customers, but it is also strongly related to the way the company services their existing customers and the reputation they create across the marketplace (Malar et al., 2017).

Rapidly increase marketing e-commerce makes many industries devote their efforts to attract online consumer attention. The Internet has transformed how people search for and buy products and services. (Curras-Perez, Ruiz, Sanchez-Garcia, & Sanz, 2017) The researcher said that issue of particular relevance to the veterinary industry which is characterised by extensive product development as well as lead times, different supply chain networks at various stages of product development, and whose final products have had a direct real life impact on the end customer. Most veterinary companies currently have supply chains that are neither flexible nor cost effective (Curras-Perez, Ruiz, SanchezGarcia, & Sanz, 2017).

According to Veterinary Healthcare Global Market Report 2018, as in 2017, the total global veterinary healthcare market was valued around \$27 billion (Linker, 2018) and it has growing steady rate 10% annually since past 10 years. It was indicated that veterinary industry was growing and giving a lot of contribution in a global market. As in Malaysia itself, the government have given an initiative with facility Department of Veterinary Services or known as JPV (Jabatan Perkhidmatan Veterinar) in every country in Malaysia since 1888. From this history and fact that had been stated at the official website of DSV, the researcher know that this industry is very important and can give a financial contribution to the market growth compare to other industry. In order to increase the market growth and maintain the profitability. Strengthening the relationship between customer and seller are the most important and crucial thing that business organization need to aware of. With those