

**UNIVERSITI TEKNOLOGI MARA
FACULTY OF ADMINISTRATIVE SCIENCE AND POLICY
STUDIES**



**FACTORS THAT INFLUENCE GEN Y LOYALTY TOWARDS
MOBILE INTERNET SERVICE PROVIDER (MISP) IN
PARLIAMENT SUNGAI PETANI, KEDAH**

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LOYALTY TOWARDS MOBILE INTERNET
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THE DECLARATION

Declaration

I hereby declare that the work contained in this research proposal is my own except those which have been duly identified and acknowledged. If I am later found to have plagiarized or to have committed other forms of academic dishonesty, action can be taken against me under the Academic Regulations of UiTM's.

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CHAPTER 1

INTRODUCTION

1.1 Introduction

The presentation of this chapter begins with the background of the research, statement of problem, research questions, research objectives, scope of the study, significant of the study and the definitions of key terms and concepts used in this study.

1.2 Research Background

Gen Y, which also known as Millennials Generation, Net Generation, digital natives and Connected Generation, are individuals which their aged ranging from 18 to 34 years (Bruwer, Saliba, & Miller, 2011; Nielsen, 2012; Nusair, Bilgihan, & Okumus., 2013). Gen Y have grown up with heavy exposure to mobile technology and the Internet, they have been widely recognised as early adopters of new connected devices, extensive users of the Internet, as well as substantial users of mobile services (Kumar & Lim, 2008). Being the first generation to grow up with technology and the Internet, Gen Yers are highly sociable, Tec literate, and media or tech savvy (Bilgihan, 2016). As a result of their exposure to rapidly changing technologies like the Internet and mobile devices, Gen Yers have adopted technology as part of their lifestyle and it represents their “third hand and second brain” (Palmer, 2009). Because of their confidence in using new technologies (Kandampully & Zhang, 2015), Gen Yers are often early adopters and heavy users of the latest mobile technologies (Kumar & Lim, 2008; Spaid & Flint, 2014). In Malaysia, approximately 55.6 % of the Internet users are Generation Y (Malaysia Communications and Multimedia Commission, 2013). Given this, it is not surprising that Gen Y are the generation with the highest level of mobile Internet penetration, at 74% in the first quarter of 2014 (Statista, 2016).

Despite being the main stream of mobile Internet subscribers, Gen Yers are more unpredictable and less brand loyal than their predecessors, Gen X and Baby Boomers, making it difficult for marketers to retain them as customers (Kim & Kandampully, 2012; Kumar & Lim, 2008; Lazarevic, 2012). As the mobile telecommunications market becomes increasingly dynamic and competitive, mobile service providers have acknowledged that the best core marketing strategy is to retain existing customers by