



**A STUDY ON THE EFFECT OF
SERVICE QUALITY TOWARDS
CUSTOMER LOYALTY AT
TELEKOM MALAYSIA BERHAD**



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LETTER OF TRANSMITTAL

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To :
Puan Muhazita Alias
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Dear Puan Muhazita Alias,

REPORT ON 'A STUDY ON THE EFFECT OF SERVICE QUALITY TOWARD CUSTOMER LOYALTY AT TELEKOM MALAYSIA BERHAD'

I am pleased to present the following report which is the result of my study on the above topic. The study involved primary and secondary data collection related to the topic under study.

I believed that with the increasing paradigm and competition typically in the telecommunication market in Malaysia have put in more pressure on Telekom Malaysia Berhad. It is hoped that the this project paper would be a useful knowledge, measurement and control purposes for Telekom Malaysia to deal and combat with its competitors.

It is a great pleasure and opportunity to have you as my advisor. I really appreciate your kindness to guides, advice and look into my study. Last but not least, thank you for everything you have put on through the completion of this project paper.

Yours faithfully,


(HASLIZAHNIM MOHD RAZALI)

UNIT RUJUKAN & PERKHIDMATAN **PERMBAHA**

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PERCETAK TEPAK DIBENARKAN

EXECUTIVE SUMMARY

This project paper is aimed at examining the effect of service quality toward customer loyalty at Telekom Malaysia Berhad. Customer loyalty is important in determining the potential growth of a company in the future, especially in a stiff competitive industry like telecommunication.

Telekom Malaysia Berhad had widely known as a leader in the fixed telecommunication industry. It was the monopolist in the fixed telephone line industry, until the government introduced the 'Equal Access' policy. Through this policy, Telekom Malaysia Berhad is no longer the sole subscriber in the fixed telephone line industry. Customers has been given a choice to choose any other four subscribers that offer the service, namely Celcom, Binariang, Digi Telecommunications and Time Telekom.

Therefore, a survey was conducted to study the effect of service quality toward customer loyalty at Telekom Malaysia Berhad. It is hoped that the result of the survey can be used to develop better strategies to confront the competitors. The survey was held by distributing questionnaires to the selected 100 Major Business Sales's customers all over Kinta Valley, through personal and telephone interviews. Desk research on the company's report, journals, news paper cutting, magazines and selected books were also carried out.

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