

**UNIVERSITI TEKNOLOGI MARA**

**DEVELOPING A CUSTOMER  
EXPERIENCE RATING FOR THE  
BANKING SECTOR IN MALAYSIA**

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**DBA**

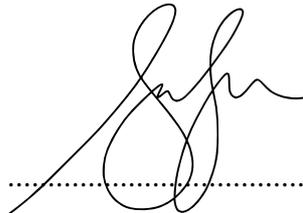
**October 2021**

## AUTHOR'S DECLARATION

I declare that the work in this dissertation was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the result of my own work unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

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## ABSTRACT

As global markets evolve dramatically and competition among players intensifies, business organizations are looking to innovative products, new markets, and inorganic growth opportunities to drive their revenue. Nonetheless, for service-based sectors such as financial services, the greatest opportunity for sustainable revenue growth does not come from just new products, geographical or technological expansion, but rather from their ability to deliver high quality and differentiating customer experience. Therefore, getting the right customer experience is a critical success factor for financial services. Based on that notion, the main purpose of this study is to further understand customer experience by way of identifying its dimensions and subsequently to identify priorities for managerial intervention by determining which dimensions of customer experience are most important to the customer of financial services organizations. Ultimately, this study proposed Customer Experience Rating (CXR), a measurement of customer experience for the Malaysian banking sector. A qualitative design using experience survey and expert review were conducted to generate survey items and quantitative design using survey questionnaire were conducted to measure customer experience. This study employed multistage sampling technique and data collected through online survey. The statistical analysis using SPSS and PLS-SEM results indicated that the CXR was highly reliable and demonstrated construct validity by achieving both convergent and discriminant validity. The finding of this study identified five important dimensions of customer experience namely employee competency, core service, online banking elements, convenience, and servicescape. Employee competency has been identified as the most important dimension for Malaysian banking customers. The customer experience scale of 7.37 implies that Malaysian customers have good experience with their banks. The CXR result indicates that there are still numerous opportunities for banks to improve their customers' experience. The overall results of this study established that customer experience is a multidimensional construct, and customer experience has shown a positive effect on marketing outcomes constructs namely customer loyalty, customer satisfaction, and word-of-mouth. The outcomes of this research can be used by practitioners, managers, and regulators to gain an in-depth understanding of customer experiences, and develop effective marketing strategies that will improve the operational environment and thus contribute to improving customers' loyalty and satisfaction and also generate positive word-of-mouth. The findings of this study will help the banking institutions to develop their strategies and operations regarding these dimensions to create long-term and profitable customer relationships and improve the future sustainability of these organizations.

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