

UNIVERSITI TEKNOLOGI MARA

**CUSTOMER SATISFACTION AND
SERVICE QUALITY: A CASE STUDY
OF BANK ISLAM MALAYSIA
BERHAD (BIMB) AT UNIVERSITI
TEKNOLOGI MARA (UITM), SHAH
ALAM, SELANGOR.**

NUR ALISHA NABILA BT MOHAMMAD ZAIN

Academic Writing in partial fulfillment of the
requirement for the degree of
Bachelor in Muamalat

Academy of Contemporary Islamic Studies

January 2018

ABSTRACT

The main objective of this study is to find the relationships between service quality and customer satisfaction in the Bank Islam Malaysia Berhad (BIMB) at Universiti Teknologi MARA (UiTM) Shah Alam, Selangor. The study wanted to recognize the important elements in bank backgrounds, which may be used to review features of the banks as experienced by customers. No study has yet investigated the above-mentioned relationship at BIMB, UiTM Shah Alam. A literature review was conducted to find out the relationship between service quality and customer satisfaction. A survey was conducted to collect data. The sample size of 100 banking customers was described among students. The result shows that the service quality elements which are stated in this study are positively related to customer satisfaction in the banking settings at UiTM Shah Alam. This study suggests that service quality model also known as SERVQUAL is a suitable instrument for measuring the bank service quality. Thus, the instrument can be used by manager to assess the bank service quality at Universiti Teknologi MARA, Shah Alam, Selangor.

Keywords: banking sector, service quality, customer satisfaction

ACKNOWLEDGMENT

I would like to convey my sincere gratitude and appreciation to my supervisor Associate Prof Dr Nurhidayah Binti Muhamad Hashim and co-supervisor, Dr Nur Nafhatun Md Shariff who guide me, assist and support me during the process of the entire research. Their broad knowledge, valuable comment and response given, have been of great value for me. Their understanding, inspiration and tolerance have provided a good basis for the present research.

Furthermore, I also appreciate all the respondents who spend their time in helping me to complete the questionnaires. I would be impossible to finish my dissertation project without their involvement. Therefore, I truly appreciated the efforts of my respondents who are provided us with beneficial information.

Finally, I would like to thank to my family and friends who are supporting me throughout my studies at Universiti Teknologi MARA (UiTM), Shah Alam. Once again, I am thankful to all the people who have provided me with assistance in completing my Final Year Project.

Table of Contents	
CONFIRMATION BY PANEL OF EXAMINERS	i
AUTHOR'S DECLARATION	ii
ABSTRACT	iii
ACKNOWLEDGMENT	iv
LIST OF TABLES	viii
LIST OF FIGURES	ixx
LIST OF ABBREVIATION/NOMENCLATURE	x
CHAPTER ONE: INTRODUCTION	1
1.1 Introduction	1
1.2 Background of Study	3
1.3 Problem Statement	4
1.4 Research Question	6
1.5 Research Objective	6
1.6 Scope of The Study	6
1.7 Significance of The Research	7
1.8 Limitation of The Research	7
CHAPTER TWO: LITERATURE REVIEW	8
2.1 Literature Review	8
2.2 History Of Banking Sector	8
2.3 Customer Satisfaction	10
2.4 Service Quality	11
2.5 Quality	12
2.6 SERVQUAL Dimensions In Relation To The Banking Sector	13
2.6.1 Reliability	13
2.6.2 Responsiveness	13
2.6.3 Empathy	13
2.6.4 Assurance	14
2.6.5 Tangibility	14
2.7 Relationship Between Service Quality and Customer Satisfaction	14
2.8 Development of Research Framework	15
2.8.1 Theoretical Framework	15
2.8.2 Dependent Variable	16
2.8.3 Independent Variable	16

CHAPTER THREE: RESEARCH METHODOLOGY	17
3.1 Research Design	17
3.2 Data Collecting Technique	17
3.2.1 Primary Data	17
3.2.2 Secondary Data	18
3.2.2.1 <i>Journal</i>	18
3.3 Population	19
3.4 Variables Measurements	19
3.5 Method Analysis	21
3.6 Data Collection	22
3.6.1 Descriptive Analysis	22
3.6.2 Inferential Analysis	23
3.6.3 Spearman's Correlation Analysis	23
CHAPTER FOUR: RESULT AND FINDINGS	24
4.1 Result and Findings	24
4.2 Response Rate	24
4.3 Demographic Profile of Respondents	25
4.3.1 Gender of Respondents	25
4.3.2 Age of Respondents	26
4.3.3 Level of Education	27
4.3.4 Duration of Using BIMB	28
4.3.5 Purpose of Using BIMB	29
4.3.6 Frequency of Using BIMB	31
4.4 Descriptive Statistics	32
4.4.1 Services Quality	32
4.4.2 Summary of Customer Satisfaction	34
4.5 Spearman's Correlation Analysis	35
CHAPTER FIVE: CONCLUSION AND RECOMMENDATION	39
5.1 Summary of the Findings	39
5.2 Conclusion	39
5.3 Recommendations	42