UNIVERSITI TEKNOLOGI MARA

SERVICE QUALITY DELIVERY AND ITS IMPACT ON CUSTOMER PERCEPTION : A CASE STUDY OF BANK ISLAM MALAYSIA BERHAD BANDARAYA MELAKA

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All praise to the Almighty Allah S.W.T…… the head of our life

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ABSTRACT

Banking industry in Malaysia is facing challenges due to globalization forces, changing market, competition among banks, environment, customer demand, and getting customer loyalty. Furthermore, customer services is one of the core matters that banks should take for granted. The quality of services will contributed to the positive perception of customers. Therefore, it’s a need for banks to identify the attributes of the service quality perceived by the customers of banks. The objective of this study are to investigate customers perception on the prevailing service quality level of Bank Islam in relative to the five dimensions of service quality, to measure the mean scores of dimensions in level of service quality delivery of Bank Islam Malaysia Berhad Bandaraya Melaka, to generate strategies for Bank Islam Malaysia Berhad Bandaraya Melaka using strategic management tools and matrixes analysis and lastly to provide recommendation for Bank Islam Malaysia Berhad Bandaraya Melaka in order to improve their services and retain their customers. The researcher have used 2 types of collection data method which are by questionaire and interviewed session with the respondent and resource person. The questionaires have been distributed to 56 respondents in Bank Islam Malaysia Berhad Bandaraya Melaka. The reseachers also make an interviewed session with Mr. Rasul Bin Ibrahim , Branch Manager at Bank Islam Malaysia Berhad Bandaraya Melaka. The researchers had chosen n=56 respondents because the total customers per day in Bank Islam Malaysia Berhad Bandaraya Melaka is just about 150 per/day. For analysis purpose, mean, standard deviation, item to total correlation, correlation matrix and reliability were calculated by using SPSS. The findings revealed that dimensions ‘Tangibles’ and ‘Assurance’ were the dimensions perceived high by the customers while the dimension ‘reliability’ is perceived low compared to other dimensions. Correlation matrix revealed that the high correlation exists between ‘understanding the specific needs of customers’ and ‘staff giving customers’ best interest at heart’ which means these two factors are important for the customers in perceiving the service quality provided by the private banks. The findings from the study are there is a positive relationship between reliability with customer perception. Similarly, the other attributes, such as ; assurances, tangibles, empathy and responsiveness also have a positive relationship with customer perception.

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