



**A RELATIONSHIP OF PETRON MARKETING ELEMENTS
TOWARDS CUSTOMER LOYALTY AT PETRON**

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ABSTRACT

Petron Corporation is an emerging and rapidly evolving Asian oil company. Petron remain committed to optimizing the company's assets in Malaysia and investing in key areas of the business, which includes the enhancement of the Port Dickson Refinery to increase the value of its production stream and in parallel, expansion of its retail network to enhance its competitive position within the Oil & Gas sector in Malaysia. However, in the recent years, the knowledge of the impact of Petron marketing elements toward customer loyalty at Petron were slightly reduced. According to manager of Petron Port Dickson Refinery (PDR), most of the customer really lack of knowledge on the impact of Petron marketing elements. Thus, this research is to determine on how the impact of Petron marketing elements will influence the customer loyalty at Petron.

The objective of this study is to identify the most factor that can influence customer loyalty at Petron and to determine the relationship between independent variables (Sales Promotion, Service Quality, Product Assortment) and customer loyalty.

As for research methodology, or the research design, descriptive, exploratory and conclusive research will be used. For the sampling techniques, quota sampling (non-probability) will be used where the researcher will distribute 100 questionnaires to customer who use the Petron products. Reliability test, frequency, descriptive, factor analysis, correlation and regression has been used in this study to get the data from the questionnaire.

Lastly, for the findings, the result shows Service Quality is the most impactful elements while Product Assortment is the least impactful that may influence customer loyalty at Petron. All the data gathered from the questionnaire will be analyzed using Statistics Package for Social Science (SPSS).

CHAPTER 1: INTRODUCTION

1.0 Background of Study

There are a lot of marketing elements that are used by all the organizations including Petron stations. It is very important for the customers to aware about all the marketing elements that has been used by Petron. This is to attract more customers to be loyal to Petron rather than loyal to other petrol stations at Port Dickson. Many research has been done to study about the factors that influence customer loyalty towards petrol stations. Based on all the past research, there are many factors that can influence the customer loyalty towards petrol stations but the exact factor that can influence the customer loyalty towards Petron at Port Dickson are still remain unclear.

“Today, attracting new customers has become so important in modern retailing in addition to loyal to them and efforts have been paying in that perspective as known, the cost of keeping consumers present is less than the cost of gaining new customers” (Mahsa et al., 2015). A business organization should fully concentrate on existing consumers. This is because the existing customers can lead to satisfaction in which the firm stands to achieve market share and profit by creating the customers’ satisfaction and loyalty. Muhammad and Md (2014) indicated that “it is necessary for the retailers to understand the customers’ wants and needs to increase the level of their satisfaction and loyalty. The effective satisfaction creates a long term relationship between the sellers and the buyers as well as increasing their loyalty through repeat purchase behaviour and attitudes, all of which help retailers to increase the market share and profit. The customers’ decision on shopping behaviour as well as customers’ wants and needs are sophisticated and important to the effect that retailers seek to build a stable and long-term relationship with their consumers”. This is important for any firm or business organization to improve the customers’ satisfaction and loyalty in a competitive market.