THE IMPACT OF RELATIONSHIP MARKETING ON CUSTOMER LOYALTY IN THE BANKING SECTOR

NOR AZA MAULAD MUSA

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THE IMPACT OF RELATIONSHIP MARKETING ON CUSTOMER LOYALTY IN THE BANKING SECTOR

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By

Nor Aza Maulad Musa

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Assistants Vice Chancellor
College of Business
Universiti Utara Malaysia
06010 UUM Sintok
Kedah Darul Aman
Abstract

This research explores the impact of relationship marketing on customer loyalty in banking context. A survey of students of Universiti Utara Malaysia (UUM) and employees of Permintex Industries Sdn. Bhd was conducted to determine the significance and influence of the underpinnings of the relationship marketing such as trust, commitment, conflict handling, values and empathy on customers' loyalty in the banking sector. A total of 138 usable questionnaires were obtained from a total of 150 questionnaires distributed. The findings shows that the four (4) variables namely trust, conflict handling, values and empathy were important in determining and influencing customers' loyalty. Since the results of the research showed that customers' loyalty is related to trust, conflict handling, values and empathy factors, therefore banks need to consider these factors and provide the right tenant mixes, services, and other facilities that are essentials for attracting customers.
Abstrak

Tujuan utama kajian ini adalah untuk mengetahui sejauhmana kesan perhubungan pemasaran terhadap kesetiaan pelanggan di dalam sektor perbankan. Satu soal sedidik terhadap pelajar-pelajar di Universiti Utara Malaysia and pekerja-pekerja di Permintex Industries Sdn. Bhd telah dilaksanakan untuk menentukan faktor yang menyebabkan kesetiaan mereka kepada bank yang mereka berurus. Kaji sedidik ini menggunakan dimensi berikut iaitu dimensi Keyakinan (Trust), Komitmen (Commitment), Penyelesaian Masalah (Conflict Handling), Nilai (Values) dan Empati (Empathy) untuk mengukur tahap kesetiaan mereka. Sejumlah 138 soal sedidik telah dapat digunakan daripada 150 soal sedidik yang diedarkan. Kajian ini mendapatkan bahawa faktor Keyakinan (Trust), Penyelesaian Masalah (Conflict Handling), Nilai (Values) dan Empati (Empathy) merupakan faktor yang paling memberikan kesan kepada mereka untuk terus setia terhadap bank pilihan mereka. Oleh kerana keputusan kajian ini mendapatkan faktor tersebut menjadi pilihan mereka, maka dengan ini pihak pengurusan bank harus menitikberatkan strategi yang berkaitan dengan perkara-perkara ini dalam menarik pelanggan untuk berurus dan terus setia dengan bank.
Acknowledgement

The completion of this thesis would not have been possible without the contributions of a number of people.

My particular thanks go to my supervisors Mr Mohamad Zainol Abidin bin Adam, for the great support, patience and understanding enabled the completion of this thesis.

A sincere appreciation and special thanks to the respondents for their kind assistance and support throughout the data collection process of this research. Great appreciation is also extended to friends and family who always gave a great support during this research. Without their end less care, constant love, encouragement and sacrifice, I would never have reached this level.

As a final word, for the intellect, which is the most fundamental tool necessary for academic work, the physical well being carry loads of papers around, the emotional strength to withstand academic critiques which are sometimes cutting, and the ups and downs seemingly unhurried lifestyle, I owe entirely to the grace of almighty God to whose glory this research is dedicated. May Allah blessings be upon the readers for this research.
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Background and Aims

1.0 Introduction

This study explores the impact of relationship marketing on customer loyalty in banking context. In particular, it will discuss the significance and influence of the underpinnings of the relationship marketing such as trust, commitment, conflict handling, values and empathy on customers' loyalty in the banking sector. This chapter contains; (1) Background of The Study, (2) Problem Statement, (3) Specific Objectives of This Study, (4) Research Question, (5) Theoretical Framework, (6) Hypothesis, and (7) Significant of the Study.

Part one (1) Background of The Study will describe about the background and theories which related to this research. Part Two (2), Problem Statement discusses the subject related to the topic. Part Three (3), Purpose of The Study highlights the objectives of this research. Part Four (4), discusses what are the questions which needed to be answered in this research, followed by Part Five (5) explains the theoretical framework of
The contents of the thesis is for internal user only
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