

THE DETERMINANTS OF CUSTOMER
SATISFACTION ON CO-BRANDED CREDIT CARD IN
IPOH AND KAMPAR AREA

BY

CHAI CHUI LENG
MAH PUI TING
PAWN YI WEN
SEAN ANG XIANG EN
SOON ZHONG LI

A research project submitted in partial fulfillment of the
requirement for the degree of

BACHELOR OF BUSINESS ADMINISTRATION
(HONS) BANKING & FINANCE

UNIVERSITI TUNKU ABDUL RAHMAN

FACULTY OF BUSINESS AND FINANCE
DEPARTMENT OF FINANCE

APRIL 2017

Copyright @ 2017

ALL RIGHTS RESERVED. No part of this paper may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, graphic, electronic, mechanical, photocopying, recording, scanning, or otherwise, without the prior consent of the authors

DECLARATION

We hereby declare that:

- (1) This undergraduate research project is the end result of our own work and that due acknowledgement has been given in the references to ALL sources of information be they printed, electronic, or personal.
- (2) No portion of this research project has been submitted in support of any application for any other degree or qualification of this or any other university, or other institutes of learning.
- (3) Equal contribution has been made by each group member in completing the research project.
- (4) The word count of this research report is 18298 words.

Name of Student:	Student ID:	Signature:
1. <u>CHAI CHUI LENG</u>	<u>1303791</u>	_____
2. <u>MAH PUI TING</u>	<u>1302957</u>	_____
3. <u>PAWN YI WEN</u>	<u>1305478</u>	_____
4. <u>SEAN ANG XIANG EN</u>	<u>1305450</u>	_____
5. <u>SOON ZHONG LI</u>	<u>1306084</u>	_____

Date: 17 MARCH 2017

ACKNOWLEDGEMENT

First of all, we would like to express our appreciation to Universiti Tunku Abdul Rahman (UTAR) for giving us this opportunity to participate in the research project. Throughout this research progress, it provides us a pathway to gain valuable knowledge which is totally different with the course structure.

Next, we would like to state appreciation to our supervisor, Puan Noor Azizah binti Shaari who have made available and adequate guidance upon the completion of this research project. Puan Noor Azizah binti Shaari provides us with her comments and opinions to enhance our report quality.

Furthermore, we would like to express our gratitude to the people who have contributed their time and effort by giving us encouragement, assistance and recommendations to complete the research project throughout a year.

Besides that, it is a pleasure to thank all the respondents who spent their precious time in answering our questionnaires. In fact, we will not obtain the information needed in completing the research project without their cooperation and contribution.

Finally, we would like to thank UTAR in providing sufficient facility for our completion of research project. By accessing to UTAR Library OPAC online databases, we are able to make this research project into a success.

TABLE OF CONTENTS

	Page
Copyright page	ii
Declaration	iii
Acknowledgement	iv
Table of contents	v
List of Tables	ix
List of Figures	xi
List of Abbreviations	xii
List of Appendices	xiii
Preface	xiv
Abstract	xv
CHAPTER 1 RESEARCH OVERVIEW	1
1.0 Introduction.....	1
1.1 Research Background.....	1
1.2 Problem Statement.....	3
1.3 Research Objective.....	5
1.3.1 General Objective.....	5
1.3.2 Specific Objective.....	6
1.4 Research Question	6
1.5 Hypotheses of the Study	6
1.5.1 Corporate Reputation (CR)	7
1.5.2 Customer expectation (CE)	7
1.5.3 Service Quality (SQ)	7
1.6 Significance of the Study	7
1.6.1 Banking Industry	8
1.6.2 Companies	8

1.6.3 Co-branded credit card clients	9
1.6.4 Future researchers	9
1.6.5 Bank regulators	10
1.7 Chapter Layout	10
1.7.1 Chapter 1	10
1.7.2 Chapter 2	10
1.7.3 Chapter 3	11
1.7.4 Chapter 4	11
1.7.5 Chapter 5	11
1.8 Conclusion	12
CHAPTER 2 LITERATURE REVIEW	13
2.0 Introduction	13
2.1 Review of Literature	13
2.1.1 Dependent Variable – Customer Satisfaction	13
2.1.21 st Independent Variables – Corporate reputation	15
2.1.32 nd Independent Variables – Customer expectation	17
2.1.43 rd Independent Variables – Service Quality	19
2.2 Review of Relevant Theoretical Framework	21
2.2.1 Theory of Contrast	21
2.3 Proposed Theoretical / Conceptual Framework	22
2.4 Hypothesis Development	23
2.4.1 Corporate reputation	23
2.4.2 Customer expectation	24
2.4.3 Service quality	24
2.5 Conclusion	25
CHAPTER 3 METHODOLOGY	26
3.0 Introduction	26
3.1 Research Design	26
3.2 Data Collection Methods	27
3.2.1 Primary Data	27

3.3 Sampling Design	28
3.3.1 Target Population	28
3.3.2 Sampling Frame and Sampling Locations	28
3.3.3 Sampling Elements	29
3.3.4 Sampling Technique	30
3.3.5 Sampling Size	30
3.4 Research Instrument	31
3.4.1 Questionnaire Design	31
3.4.2 Descriptive	32
3.5 Data Processing	32
3.5.1 Data Checking	33
3.5.2 Data Editing	33
3.5.3 Data Coding	34
3.6 Data Analysis	34
3.6.1 Descriptive analysis	34
3.6.2 Scale Measurement	34
3.6.3 Inferential analysis for research	35
3.7 Conclusion	36
CHAPTER 4 DATA ANALYSIS	38
4.0 Introduction	38
4.1 Descriptive Analysis	38
4.1.1 Respondent Demographic Profile	38
4.1.2 Central Tendencies Measurement of Constructs	47
4.2 Scale of Measurement	51
4.2.1 Reliability Analysis	51
4.3 Inferential Analysis	55
4.3.1 Pearson Correlation Analysis	55
4.3.2 Multiple Linear Regression Analysis	59
4.4 Conclusion	64
CHAPTER 5 DISCUSSION, CONCLUSION AND IMPLICATION	66

5.0 Introduction	66
5.1 Summary of Statistical Analysis	66
5.1.1 Descriptive Analysis	66
5.1.2 Central Tendencies Measurement of Constructs	67
5.1.3 Scale Measurement	69
5.2 Discussion of Major Findings	71
5.3 Implication of the Study	73
5.3.1 Banking Industry	74
5.3.2 Companies	74
5.3.3 Co-branded credit card clients	75
5.4.4 Bank Regulators	75
5.5.5 Future researchers	76
5.4 Limitations of Study	77
5.5 Recommendation for Future Studies	78
5.6 Conclusion	79
REFERENCES	81
APPENDICES	86

LIST OF TABLES

	Page
Table 4.1: Statistics of Respondents' Gender	39
Table 4.2: Statistics of Respondents' Age	40
Table 4.3: Statistics of Respondents' Marital Status	42
Table 4.4: Statistics of Respondents' Income Level	43
Table 4.5: Statistics of Respondents' Occupation	45
Table 4.6: Descriptive Statistics of Customer Satisfaction	47
Table 4.7: Descriptive Statistics of Corporate Reputation	48
Table 4.8: Descriptive Statistics of Customer Expectation	49
Table 4.9: Descriptive Statistics of Service Quality	50
Table 4.10: Reliability Statistic - Customer Satisfaction	52
Table 4.11: Reliability Statistic - Corporate Reputation	53
Table 4.12: Reliability Statistic - Customer Expectation	54
Table 4.13: Reliability Statistic - Service Quality	54
Table 4.14: Coefficient Range Table	55
Table 4.15: Pearson Correlation between corporate reputation and customer satisfaction	56
Table 4.16: Pearson Correlation between customer expectation and customer satisfaction	57
Table 4.17: Pearson Correlation between service quality and customer	58

satisfaction

Table 4.18: Model Summary	60
Table 4.19: ANOVA model	61
Table 4.20: Coefficients	61

LIST OF FIGURES

	Page
Figure 1.1: Statistics of co-branded credit card users from different bank	3
Figure 2.1: Relationship between independent variables and customer satisfaction	22
Figure 4.1: Statistics of Respondents' Gender	39
Figure 4.2: Statistics of Respondents' Age	41
Figure 4.3: Statistics of Respondents' Marital Status	42
Figure 4.4: Statistics of Respondents' Income Level	44
Figure 4.5: Statistics of Respondents' Occupation	46

LIST OF ABBREVIATIONS

CE	Customer Expectation
CR	Corporate Reputation
CS	Customer Satisfaction
SQ	Service Quality
SPSS	Statistical Package for Social Science
UTAR	Universiti Tunku Abdul Rahman

LIST OF APPENDICES

	Page
Appendix 3.4: Questionnaire	86
Appendix 4.1: Statistics of Respondents' Gender	94
Appendix 4.2: Statistic of Respondents' Age	94
Appendix 4.3: Statistic of Respondents' Marital Status	95
Appendix 4.4: Statistics of Respondents' Income Level	95
Appendix 4.5: Statistics of Respondents' Occupation	96

PREFACE

The research project that is undertaken by our group constituted as a fulfilment of the requirement in pursuing the Undergraduate of Bachelor of Business Administration (Hons) Banking and Finance. We have selected “The Determinants of Customer Satisfaction on Co-Branded Credit Card in Ipoh and Kampar area” as our topic to conduct this research. In this research, we have outlined the three main variables in affecting the dependent variables which include customer expectation, corporate reputation and service quality. The three selected variables play a crucial role in determining the possible factors that might affect the customer satisfaction on co-branded credit card.

The motive of choosing the banking industry-related topic as our area of study is due to the topic of co-branded credit card is still relatively new to the market and it does not consist much of emphasize and focus of the researchers on this topic. The topic that we have chosen may also contribute useful information and findings to several parties such as banking industry, companies, co-branded credit card clients, future researchers and banking regulators to have better understanding on customer satisfaction on co-branded credit card and its determinants. Hence, the research project could provide a vital to the field of banking industry.

ABSTRACT

This study was aimed to investigate the relationship between customer satisfaction on co-branded credit card and its determinants in Ipoh and Kampar area. To specifically examine the in-depth of customer satisfaction on co-branded credit card, background and issues related to the research topic has been discussed. This study is designed to achieve the following objectives: (1) To examine the significant relationship between customer expectation and customer satisfaction; (2) To examine the significant relationship between corporate reputation and customer satisfaction; (3) To examine the significant relationship between service quality and customer satisfaction. This research might also be beneficial to certain parties particularly banking industry, companies, co-branded credit card clients, future researchers and banking regulators. Furthermore, Reviews of literature by previous author are provided in order to further explain the relationship of customer satisfaction and each of the three determinants.

In this research, data are collected from primary sources where questionnaires are distributed to 250 respondents in Ipoh and Kampar area using stratified sampling technique, in which the respondent has to be a co-branded credit card user. Statistical Package for the Social Sciences (SPSS) software version 20.0 is used to carry out the research to construct new findings in the relationship between customer satisfaction on co-branded credit card and its determinants such as corporate reputation customer expectation, and service quality. The results and findings are then demonstrated in few different parts which included descriptive analysis for demographic profile, constructs for central tendencies measurement, measurement of scale which are supported by the reliability test. Last but not least, all the findings in the research are concluded in the last chapter. Implications of the study are also further described, as well as the limitations of the study. Not to mention, several recommendations for future research are provided in order to sums up the entire completed research.

CHAPTER 1: RESEARCH OVERVIEW

1.0 Introduction

As the co-branded credit card are relatively new to the market, there are less researcher emphasize on this topic. In order to raise the awareness towards co-branded credit card, this research aims to investigate the relationship between the customer satisfaction level on co-branded credit card and its determinants. The factors included in this study comprised of Customer Expectation (CE), Corporate Reputation (CR) and Service Quality (SQ). In order to carry out the research, this chapter consists of the seven sections mainly research background, problem statement, objectives, research questions, research hypotheses , significance and contribution of the study and last but not least, the chapter layout.

1.1 Research Background

As credit cards have been newly brought in developed countries decades ago, their introduction in developing countries such as Malaysia is comparatively recent and not recognized by many. Whereby, cheque usage in Malaysia is rather limited, plastic cards, particularly credit cards played a crucial role in carrying out daily transactions. In recent years, co-branded credit cards have become increasingly popular and widespread in the credit market where two or more brands establish a strategic alliance as a mean to attain excellent synergy that exploits on the unique strengths of each contributing brand (Chang, 2008). In fact, many large global corporations have started offering these portable and convenient promoting cards such as the Amtrak Guest Rewards MasterCard and SaksFirst Platinum MasterCard. In addition, some of the domestic corporations are also launching their own customized co-branded credit card such as RHB Bank collaborating with Tesco Mall and Hong Leong Bank partnering with GSC theatre to issue a general purpose credit card with special rewards and privileges. Co-branded credit cards have appeared in virtually every industry. It has been widely used by consumers nowadays.

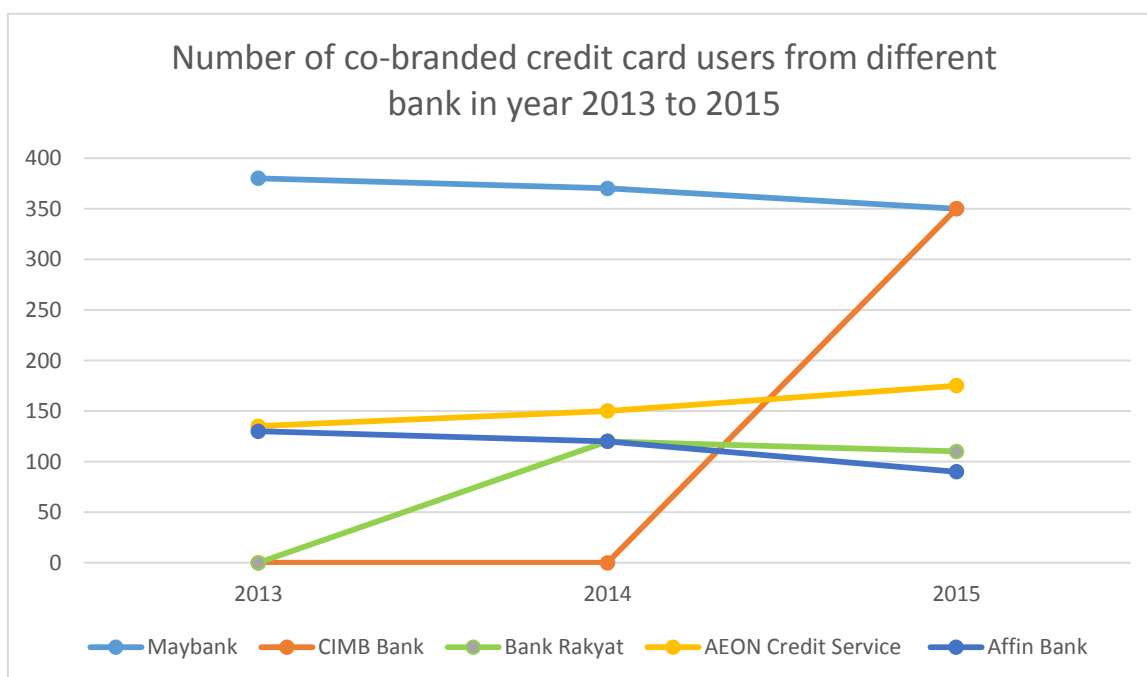
Due to the economic recession in recent years, banks that issue credit cards are increasingly churning out co-branded credit card that primary aimed at customers' creditworthiness to a store or airline. According to the Simmons National Consumer Survey, it stated that nearly 53% of all credit card users who owned a co-branded credit card which was associated with hotel, airline, shopping complex or other merchants in year 2014, increased from 46.4% in year 2010. In fact, co-branded credit cards itself generated 31% of general purpose credit card purchase proportion among the private label credit card by the end of year 2014. In short, the average percentages of owning a co-branded credit card by consumers are continuously increasing from years to years.

To examine the co-branded credit card users in Malaysia, a short interview session has been carried out to acquire estimate number of co-branded credit card users from five different banks or financial service providers (Maybank, CIMB Bank, Bank Rakyat, AEON Credit Service and Affin Bank) from year 2013 to 2015. In order to carry out this research, Ipoh and Kampar has been chosen as the area of research purpose where interview for both banks, CIMB Bank and Bank Rakyat, are conducted in Kampar while the interview for other remaining banks were conducted in Ipoh. According to the interview conducted, Maybank which collaborates with Petronas has the highest number of users among the five different banks although number of users has slightly decreased from 380 to 370 users in year 2013 to 2014, and has further dropped to 350 users in year 2015. Other than Maybank, co-branded credit card which offered by CIMB Bank on the partnership with Tesco that was launched in year 2015 has shown 350 new users in the first operating year. Furthermore, the number of co-branded credit card users from Bank Rakyat in collaboration with Takaful Ikhlas located in Kampar has shown an increment of 120 users in the first operating year of the new card in year 2014 and following a slight decrease to 110 users in year 2015. On the contrary, AEON Credit Service which acts as the financial service provider to the AEON Mall has also issued their very own co-branded card for the past two decades. The number of co-branded credit card user from AEON Credit Service has shown a gradual rise from 135 to 150 users in year 2014 and has further rise to 175 users in year 2015. Last but not least, Affin Bank which also offered customers its very own co-branded credit card in collaboration with BHPetrol has revealed a decreasing number of users from 130 to 120 users in

year 2013 to 2014, and decline dramatically to 90 users in year 2015. It has also been recognized as the lowest co-branded credit card users among the five interviewed banks.

Overall, three out of the five banks that has been interviewed has shown a decreasing trend in co-branded credit card users from year 2013 to 2015, except for CIMB Bank and AEON Credit Service. These dramatic declines in co-branded credit card users from each of the three banks are likely to be associated with the economic downturn in Malaysia in these recent years. Hence, it caused a change in customers' behaviour to shift from heavy-spending to moderate or low-spending in a year and hindered it from applying a co-branded credit card.

Figure 1.1: Statistics of co-branded credit card users from different bank



Source: Interview session

1.2 Problem Statement

With the increasing competition in the retail banking industry, brands have become the real strategic assets in attracting more attention from consumers. Over the years, majority of the marketing professionals have chosen branding as their priority in which triggers the necessary for brand managers to innovate their product offerings to

be more effective. To innovate, most banks are undergoing the practice of co-branding with retail partners to create market advantage. However, in today's competitive corporate environment, the co-branding is becoming increasingly complex. The perfect storm of changing consumer behaviours and patterns, regulatory intervention, and different banking strategy signify that the co-branded credit card market is likely to undertake a fundamental review from both retail partner and bank perspectives. Not to mention, there are certain behavioural factors which prompt consumers not to select a co-branded credit card in tailoring their needs. For instant, consumers may find it confusing when it comes to different co-branded credit cards' features and tend to focus on only one or two features when making their decision without the consideration of alternative products. Hence, these issues have provoked the root in conducting the study on co-branded credit card.

In overall, co-branded credit cards companies are focusing more towards the middle-class individuals. On 22th September 2014, Maybank Philippines which was a fully-owned foreign bank that serves as the Philippine unit of Malaysian financial giant, Maybank, has launched a co-branded credit card which named Manchester United Visa credit card as the first international sports franchise co-branded credit card in Philippines. Maybank Philippines Vice President and Head of Cards Eden Leah V. Estrella said their intention is to build a card base of like 30,000 to 40,000 for this co-branded credit card in the Philippines. Furthermore, Manchester United credit card is targeted at Filipino individuals who have a minimum gross annual income of PHP 450,000.00 which equivalent to RM38,074.83 in Malaysia which solely focuses on middle income level. It remains to be seen whether the appeal to the middle class will pay off for credit card companies, especially as interest rate on co-branded credit card continue to increase in recent years ("Maybank's Co-Branded Card to hit 40,000 mark," 2014).

Based on the interview session conducted with Ms Lee Mee Fong, CIMB Kampar branch manager, the number of co-branded credit card applied with the bank throughout the years are still low as the co-branded credit card is still relatively new in Malaysia and does not recognize by many consumers. On top of that, other interviewed banks and service provider such as Maybank, Bank Rakyat, Affin Bank and AEON Credit Service also revealed an average of declining trend in number of co-branded credit card users throughout the years due to the similar reason which are

not known to most consumers. Nevertheless, incentives for the customer are the reason why co-branded credit cards exist in the first place. For the recent news, CIMB and Malaysia Airlines launched their first Co-Branded Credit Card on 5th October 2015 (Adilla, 2015). CIMB Bank Bhd and Malaysia Airlines Bhd's loyalty programme, Enrich, have both involved themselves in an exclusive agreement to broaden their strategic collaboration. Besides, there are many benefits offered to customers or cardholders such as cardholders are given unlimited access to Malaysia Airlines operated Golden Lounges worldwide. However, choosing a credit card often involves a careful weighing of the rewards, customer should be cautious of the danger of using a co-branded card. The Annual Percentage Rate (APR) of co-branded credit card is much more higher compared to regular credit card. If you're not diligent about paying off credit card, the rewards won't be worth to debt.

Lastly, most of the co-branded credit cards have their own benefit to their customers, however, most of the card issuers have omitted the customer satisfaction factor from their concern. So, this study is to obtain a broad understanding about co-branded credit card and how they are affected. This study also focuses on the customer satisfaction towards co-branded credit card. Consequently, this study is an in-depth analysis of these factor in-order to analyse the extent of the relationship between customer satisfaction level on co-branded credit card and its determinants, particularly customer expectation, corporate reputation, and also service quality.

1.3 Research Objective

1.3.1 General Objective

The general purpose of this study is to examine the relationship between customer satisfaction level on co-branded credit card and its determinants.

1.3.2 Specific Objective

In order to clarify the general objective, the specific objectives are as follows:

- (i) To examine the significant relationship between corporate reputation and customer satisfaction.
- (ii) To examine the significant relationship between customer expectation and customer satisfaction.
- (iii) To examine the significant relationship between service quality and customer satisfaction.

1.4 Research Question

Based on the objective of the study stated above, the following research questions are proposed:

- (i) Is there a significant relationship between corporate reputation and customer satisfaction?
- (ii) Is there a significant relationship between customer expectation and customer satisfaction?
- (iii) Is there a significant relationship between service quality and customer satisfaction?

1.5 Hypotheses of the Study

In this section, three hypotheses has been constructed in order to examine the relationship between the customer satisfaction level on co-branded credit card and its determinants

1.5.1 Corporate Reputation (CR)

In order to examine the relationship between corporate reputation and customer satisfaction, this hypothesis is established to identify whether the corporate reputation are significantly correlates with the customer satisfaction.

H_0 : There is no significant relationship between the corporate reputation and the customer satisfaction.

H_1 : There is a significant relationship between the corporate reputation and the customer satisfaction.

1.5.2 Customer expectation (CE)

In order to investigate the relationship between customer expectation and customer satisfaction, this hypothesis is constructed to identify whether the customer expectation are significantly correlates with the customer satisfaction.

H_0 : There is no significant relationship between the customer expectation and customer satisfaction.

H_1 : There is a significant relationship between customer expectation and customer satisfaction.

1.5.3 Service Quality (SQ)

In order to examine the relationship between service quality and customer satisfaction, this hypothesis is constructed to identify whether the service quality are significantly correlates with the customer satisfaction.

H_0 : There is no significant relationship between the service quality and the customer satisfaction.

H_1 : There is a significant relationship between the service quality and the customer satisfaction.

1.6 Significance of the study

In this modern era, co-branded credit cards have become increasingly popular trend or item to banking sectors and consumers. This card has been used widely throughout the nation and countrywide. The purpose of co-branded credit cards are mainly focus on creating a sense of convenience and producing much benefits to consumer as well as improving the welfare of the society. Meanwhile, the co-branded credit cards also create value to the society by giving the discount, promotion, and the rewards to the society. Co-branded credit cards serve as a new source of technologies for banking

industry which could boost the economic indirectly. Nowadays, the average percentages of using co-branded credit card by consumers keep on increasing, it eventually creates a fierce competition among banking sectors and companies. In this case, the customer satisfaction toward co-branded credit card is important to this study as it is helpful for banking industry, companies, co-branded credit card clients, future researchers and banking regulators.

1.6.1 Banking Industry

Banking industry may gain benefit from this study by understanding better and acquire deeper knowledge towards the factors that might affect the customer satisfaction toward co-branded credit card. Throughout this study, banking industry may able to obtain the idea on the enhancement of customer satisfaction and how each of the variables in this study are linked to the customer satisfaction and continuously improve its card to serve better for customers. By improving the customer satisfaction, it allows banking institutions to retain the loyal customer as well as increase new customer. In the long run, this will enhance the performance of the banking institutions. For instance, the service quality of banking institution will increase the satisfaction of customer and new clients or companies who seek to enter into a partnership with card issuer. In addition, banking industry can gain comprehension on which company sector they should collaborate with. With the information provided in this research, banking industry are able to clearly differentiate each sector and acknowledge which company sectors can provides them with the highest return and benefits and to form a strategic alliances.

1.6.2 Companies

From the companies' perspective, this study might be helpful for some particular companies such as airline companies, hypermarkets, and cinema in order to achieve higher customer satisfaction. Companies can enhance their understanding towards the benefits and use of co-branded credit card before

they enter into collaboration with the bank on the creation of co-branded credit card. Through this study, the companies can create promotion in certain categories by studying and understanding their customers' consume pattern as the number of new clients increases in their business. Companies are also able to explore new methods for them to provide better rewards and privileges for their co-branded credit card customers. By understanding their customer well and the ability to fulfill their customers' need, it eventually creates more value to retain more customers.

1.6.3 Co-branded credit card clients

As this study is mainly focus on customer satisfaction towards co-branded credit card, therefore, the client itself will definitely gain benefit from this study. With the information shown in this study, this provides clients with a deeper knowledge on co-branded credit cards conveniences and at the same time, reveals details on numerous benefits such as cash-back, cash rebate, discounts and rewards provided by the co-branded credit card for the clients. This also allows clients to make an overall evaluation and come up with a wise decision while applying for a co-branded credit card from different banks which offering different rewards and charging at different rates. With this, clients are able to maximize the uses of co-branded credit card which in turn, leads to higher satisfaction.

1.6.4 Future researchers

Since co-branded credit card has becoming an important subject for the banking sector, this will begin to attract future researcher to conduct a research on this topic. Thus, this study might be useful for future researcher in the sense that it can provide them with baseline information on the co-branded credit card. Our findings can assist them in conducting their future research by providing them an overview information and methodology on factors affecting the customer satisfactions on co-branded credit card which includes

customer expectation, corporate reputation and service quality. Therefore, the future researcher could take this study's variable as reference for their future study.

1.6.5 Bank regulators

Not to mention, bank regulators within the co-branded credit card may also benefit from this study. With the information provided in the study, bank regulators may gain ideas on the implementation of new policies and regulations on the co-branded credit card in order to further enhance the usage and benefit of the co-branded credit card. Furthermore, bank regulators may gain an upper hand to undergo the co-branded credit card program to a wider geographic region or to outside of domestic country to spread the use of co-branded credit card which will attain higher number of new subscribers of the co-branded credit card in a year. In addition, it is also useful to bank regulators in the sense that this study can provides them knowledge for competitive advantage against other competitors in the near future.

1.7 Chapter Layout

1.7.1 Chapter 1

Chapter 1 outlines the overviews of this research. This chapter emphasized on the background of the study and problem statement. Apart from that, research objectives, hypotheses, research questions and the significance of study are also discussed within this chapter. Last but not least, a brief summary of this research is concluded.

1.7.2 Chapter 2

Chapter 2 focuses on reviewing of the past literatures and other studies which are related to the dependent and independent variables and relevant theoretical models in this research. Other than that, the proposed theoretical or conceptual framework, hypotheses development and a brief summary of the literature review is concluded in this chapter.

1.7.3 Chapter 3

Chapter 3 consists of the layout of the research methodology used in this study. This chapter also described how the research are conducted in term of research design, method of collecting data, sampling design, research instruments, data processing, data analysis and lastly, a brief summary of the chapter.

1.7.4 Chapter 4

Chapter 4 demonstrates the significance of the independent variables, the statistical outcome by using the SPSS Software version 20.0 and the results of diagnostic checking. Not to mention, suggestions are provided in solving the econometric problem in this study. Last but not least, a brief summary of the chapter is concluded.

1.7.5 Chapter 5

Chapter 5 summarizes the entire statistical analysis of the research, and discussion of the major findings. To conclude this study, implications and limitations of the study as well as recommendation for further research studies and purposes has also been provided. Lastly, a short conclusion of this chapter has been made.

1.8 Conclusion

The topic on co-branded credit cards is subjected to numerous debates and discussions. Therefore, in this chapter, it provides the overview of the study of customer satisfaction towards the co-branded credit card and its determinants in Ipoh and Kampar area. Chapter 1 also provides the basic guidelines which introduce the overall research background and details for the purpose of further research and development on this study. The subsequent discussions and findings of the research will be carried out in the following Chapter 2.

CHAPTER 2: LITERATURE REVIEW

2.0 Introduction

In a complex and dynamic marketplace, it was no longer sufficient for customers to know only about the feature of credit card, but they have to understand the benefit offered by credit card. In fact, there are several events that alter the consumer choice among credit cards. One of the key events was the marketing of co-branded credit card. According to Munyoki (2010), he proposed that co-branding occurs when credit card is sponsored by financial institution in conjunction with a manufacturer or service provider. In recent years, consumer product developers are increasingly applying co-branding strategy to fend off the threat of private label brands. As a result, the usage of co-branded credit card increases continuously as compared to credit card. However, there are various views regarding the determinations that will affect customer satisfaction. Therefore, the literature review will discuss about the determinants (corporate reputation, customer expectation and service quality) of customer satisfaction on co-branded credit cards in greater detail. In this chapter, the literature review and findings of the past researchers will discuss in more details. In the following part, relevant theoretical framework will be discussed and a new theoretical framework will be proposed. Next, in this chapter, hypotheses about the relationship between customer satisfaction on co-branded credit card and its determinants will be formed. Lastly, conclusion will be drawn to summarize the findings of this chapter.

2.1 Review of Literature

2.1.1 Dependent Variable - Customer Satisfaction

Customers' importance has been emphasized by many researchers and academicians worldwide. In fact, it occupies a central position in marketing practice in this modern world. It is believed that the customers are the

objective of what the top performing financial institutions do and they very much rely on them. Financial institutions should never consider customers as the source of problem because happy customers tend to be like free advertising and they will put their future and security in jeopardy if they failed to do so. This has known to be the main reason why financial institutions today are placing much focus and attention on customer satisfaction, loyalty and retention (Mohsan, Nawaz, Khan, Shaukat, & Aslam, 2011). In addition, according to Rabb (2015), even since customer satisfaction has played an important role in determining business growth of the bank, majority of the banking institutions are shifting from a product-centric model to a customer-centric model as shown by the recent trend. In line with the justification, Mistry (2013) also revealed that customer satisfaction has been deemed as the fundamental of success in today's highly competitive banking industry.

According to Uddin and Akhter (2012), customer satisfaction is regarded as an appraisal of how products and services of a company fulfil or exceed customer anticipation. Karim and Chowdhury (2014) also described customer satisfaction as a feeling of pleasure when a person has something or has achieved something by fulfilling a need and demand. Mohsan et al. (2011), on the other hand, defined customer satisfaction as the overall customer behaviour towards a service provider, or a reaction towards the difference between the actual performance of a service and customer expectation. It can also be stated either in positive or negative of the customers' overall evaluation towards the service provided (Hafeez & Muhammad, 2012). In a service context, overall satisfaction is much the same as the overall evaluations of service quality.

In today's dynamic corporate environment, the importance of customer satisfaction is conspicuous as it plays a crucial role in affecting customers' repurchase intentions. Customers who intended to switch is due to their dissatisfaction on a particular product or service offer. Satisfied customers are most likely to share their experiences and spread positive word of mouth to the people around them (Mohsan et al., 2011). It also stated that satisfaction is positively related with customer intention to repurchase, possibility of proposing the products to others, and profitability. Similarly, dissatisfied

customer are most likely to tell others about their unfortunate and bad experiences with the particular organization (Karim & Chowdhury, 2014). To enhance customer satisfaction, organizations should establish a strong relationship with customers by fulfilling their desires and wants. It is also believed that the more you focus on customer satisfaction and retention, the longer term your business will get (Mohsan et al., 2011).

Based on the studies of Mohsan et al. (2011), a key component of customer satisfaction in the banking industry is that the nature of the relationship between the customer and the provider of products and services. Therefore, it is common to mark both product and service quality as critical prerequisite to satisfy and retain valued customers. In order to attain higher level of service quality, bank manager should develop working lines on which service quality is improved to enhance customer satisfaction (Hafeez & Muhammad, 2012). In today's highly competitive corporate environment, financial institutions need to have satisfied customers and retain them in order to compete with other market competitors and dominate them. However, it was proposed that retain only the satisfied customer are insufficient. The financial institutions should have to retain extremely satisfied customers due to customer satisfaction will eventually lead to customer loyalty which in fact the only way to build sustainable competitive advantage (Mohsan et al., 2011). Therefore, banking institutions should recognized the importance of customer satisfaction as research has shown that the main reason for bank customers' switch to other bank are due to customer dissatisfaction (Mistry, 2013).

2.1.2 1st Independent variable - Corporate reputation

Corporate reputation theory origin when the notion of corporate image emerged. It has then evolved and served to emphasize more on corporate identity. Nowadays, the theory has now changed into modern form with corporate reputation and brand interest management. According to Abdullah (2009), he states that image is a matter of impression of stakeholders which is being categorized as awareness. The impression is important for a stakeholder to aware of the presence of a corporation. When aware of the existence,

stakeholders will tend interest on the corporation and start to access for the actual performance of the corporation. Reputation is the widely shared beliefs of stakeholders that the corporation will behave in the best of their interests and the future actions of corporations can also be predicted to be in favor of stakeholders. Therefore, corporate reputation is important factor in changing the judgment and decision of the stakeholders.

For the structure of a corporation, reputation of corporation is important in influencing the effectiveness and goodwill through internal and external structure such as employees, media, and customers. The example of the internal factors which influence a corporate's reputation and images are the reputation of CEO, treatments of employees, creativity and innovative, communication among the workers, and the ability of handling the issues of social and market environment. The external factors are the clients, shareholders, government, regulators, banking industry, media, and competitors. According to Weiwei (2007), the image and reputation do have positive relationship toward the customer satisfaction. She proposed to emphasize and facilitate the components of corporate reputation which will create favorable image to corporate and consequently it decided the customer's observation and satisfaction toward a corporation.

No doubt a favorable reputation helps in increasing the firm's sales and its market share, and to construct and maintain a loyal relationship with customer. According to Gul (2014), the corporate reputation has positive relationship toward customer satisfaction. This is due to positive corporate reputation has create a value which attract and keep highly skill and professional human resources and driven customer to purchase the firm's new or existing products and services from it. Besides that, he also state that reputation is performing a significant role on customer loyalty and customer satisfaction as well as important role to create trust in corporation.

Ali and Alvi (2012) believed that degree of consumer loyalty assumes to be higher when consumer is having a strong and favorable perceptions regarding corporation reputation. This statement also supported by other researcher that consumer loyalty will also direct influence customer satisfaction. Higher

customer satisfaction, retention, growth of firm and profitability is attained through continuous building of long-term relationships with the customers (Gul, 2014). For instance, the long term relationships can be built from loyalty customer by repeatedly purchases firm's goods and services. Karami and Soltanpanah (2013) stated that the corporate reputation and organizational citizenship behavior are positive related between these two variables. Organizational citizenship behavior also will affect the customer satisfaction and customer loyalty positively.

Some authors claim that corporate reputation influences customer satisfaction while others suggest the opposite. Which means that customer satisfaction also can influences corporate reputation through the performance of the corporation. Although numerous of studies presume a correlation to exist between corporate reputation and satisfaction, most of the study have point out that the corporate reputation has the more influences to customer satisfaction compare to its opposite. Therefore, this study is assuming that corporate reputation will have positive and significant relationship toward customer satisfaction.

2.1.3 2nd Independent Variable - Customer expectation

There are various viewpoints against the definition of customer expectation. Some of the researchers defined it in different ways, but the meaning remain unchanged. Based on Gures, Arslan and Tun (2014), they defined customer expectation as the desires or wants of customers. On the other hand, Almsalam (2014) defined it as pretrial beliefs about a product or service. The author proposed that in the pre-purchase stage, customers will be provided with information from various sources that lead to expectation about the upcoming service that offer by the service providers and can influence their expectation as they tend to compare the perceived performance of the product or service. Therefore, customer expectation is an important antecedent of customer satisfaction.

There are few studies conducted by researchers which mainly focus on various key elements of banking sector such as operations, customer satisfaction, service quality, employee satisfaction, financing products, efficiency and financial performance in order to further understand the customer behavior as well as customer expectation. The author proposed that banks are facing intensifying competition in order to offer quality-oriented service and product according to the customer expectation Arokiasamy (2013). As mentioned by Ali, Leifu, YasirRafiq, and Hassan (2015), no doubt that, customer expectation can be affected by promotions, advertising and positive word of mouth. When the performance of product or service achieves the customer expectation, customers are definitely satisfied on the performance of the products and services offer and a good feedback will be given. If a customer expects there is a low quality in a product a product or service, customer will lower his or her preference level for the brand. Therefore, customer expectation becomes one of the key elements in affecting customer satisfaction since it was an important role in customer behavior regarding the future repurchases decision. Undeniably that, information on customer expectation will eventually affect customer behavior and management, yet it is difficult to manage customer expectation due to the problem of limited resources.

Meanwhile, from the perspective viewpoints of customers, consumers may use multiple types of expectation in their evaluation process of satisfaction such as normative expectation. Normative expectation is frequently used as it referred to the consumers' desires level. Thus, a hypothesis of positive relationship between customer expectation and customer satisfaction is formed Almsalam (2014). Besides, in measuring the relationship between customer expectation and customer satisfaction, Ali et al. (2015) and Almsalam (2014) are performing multiple correlation analysis to analyze the interconnection between these two variables. They found that the customer expectation has a positive influence on customer satisfaction since the coefficient was significant. The finding in this study is consistent with the prior study of previous researchers which indicated that customer expectations and customer satisfaction are positively related. They proposed that it is

critical for service providers to determine the customer expectation level in advance to avoid the dissatisfaction and defection of customers because expectations serve as a major determinant of a consumer satisfaction.

By comparing to the other authors, Gures, Arslan and Tun (2014) are measuring the relationship by dividing the customer expectation scale into six different dimensions (reliability, assurance, employees, facilities, flight patterns, customization and responsiveness). As a result, customer expectation and customer satisfaction are in favorable connection which is in line with the outcome obtained in the study of Ali et al. (2015) and Almsalam (2014). They are sharing the same findings which proposed that managing customer expectation is an important key to enhance customer satisfaction. Therefore, customer expectation could not be ignored since it plays a vital role in customer satisfaction. Besides, there are many studies that showed the importance of customer expectation in customer satisfaction. They agreed with the statement of the ability of the firm meet the expectation of its customers has a direct effect on customer satisfaction.

2.1.4 3rd Independent Variable - Service Quality

Service quality is a qualitative factor that is difficult to standardize Nautiyal (2014). However, in general, service quality has been defined by Agyapong (2011) as customer perception of how well a service meets their expectations. In addition, service quality has been identified as an antecedent of the broader concept of customer satisfaction Nautiyal (2014). Previous studying suggested that service quality is a strong indicator of customer satisfaction. They stated that service quality is a crucial factor that impact customer satisfaction level in banking industry. In banking industry, financial institutions remain competitive by improving the quality of service to meet their customer's needs and clearly understand their expectation.

There is no doubt that banks are currently facing a huge challenge where they compete intensely in a competitive environment to increase their market share. There is a need for banks to differentiate themselves from one another. Hence,

the key element for banks to stand-out among other competitors in banking sector is to deliver high quality oriented service and financial products which in turn increase the customer satisfaction. Hence, organization must improve their services to meet the customer requirement as service quality can be a benchmark to show how well an organization can meet their wants. The practice of excellent service quality can significantly lead to high level of customer satisfaction (Arokiasamy, 2013).

Furthermore, Khan and Fasih (2014) suggested that service quality is a key factor in enhancing customer satisfaction. Premium service quality is treated as a tool for gaining competitive advantage in today's corporate environment. Delivery of high quality of service enables the banks to fulfill the present desire of their customer satisfactorily. As mentioned by the researcher, service quality is a key factor to evaluate the performance of a service provider as well as to gain customer satisfaction and loyalty.

As stated by Khan and Fasih (2014), bank should consider various antecedents of service quality in measuring their performance. In measuring the inter-correlation between service quality and customer satisfaction, previous authors are using SERVQUAL model framework for analyzing their relationships. These studies identified the perceived service quality into five dimensions included tangibility, reliability, responsiveness, assurance and empathy. Based on the result obtained from those studies, it indicated that there is a positive relationship between service quality and customer satisfaction. The researchers believed that if firms differentiate themselves from competitors through service quality could have a remarkable effect on customer satisfaction. Thus, hypothesis of higher level of service quality leads to higher level of customer satisfaction are developed. This hypothesis has been supported by the previous researchers which proved that there was a positive relationship between service quality and customer satisfaction (Nautiyal, 2014; Quyet, Vinh, & Chang, 2015; Selvakumar, 2015; Agyapong, 2011; Khan & Fasih, 2014).

Furthermore, based on (Agyapong, 2011; Quyet, Vinh, & Chang, 2015; Nautiyal, 2014), they identified that all the five dimensions (tangibility,

responsiveness, reliability, assurance and empathy) exhibited positive correlation with customer satisfaction. Although all the five determinants considered in the studies exhibited a positive correlation with customer satisfaction, but Nautiyal (2014) revealed that tangibility and reliability have little significant impact on customer satisfaction. The author explained that tangibility had little significant effect on customer satisfaction due to the physical facilities or equipment provided were similar across other banks and were possibly taken for granted by the customers. Similarly, reliability dimension which considers respondents' satisfaction with regard to the promptness and quality of service may also have been considered as a given by the customers and result in low statistical significance in determining customer satisfaction. Same goes to Quyet, Vinh, and Chang (2015) and Selvakumar (2015) who examined reliability had partially supported on customer satisfaction. However, the studies done by Selvakumar (2015) revealed responsiveness is negatively interrelationship with customer satisfaction. It means that poor responsiveness may result in negative effect on customer satisfaction.

2.2 Review of Relevant Theoretical Framework

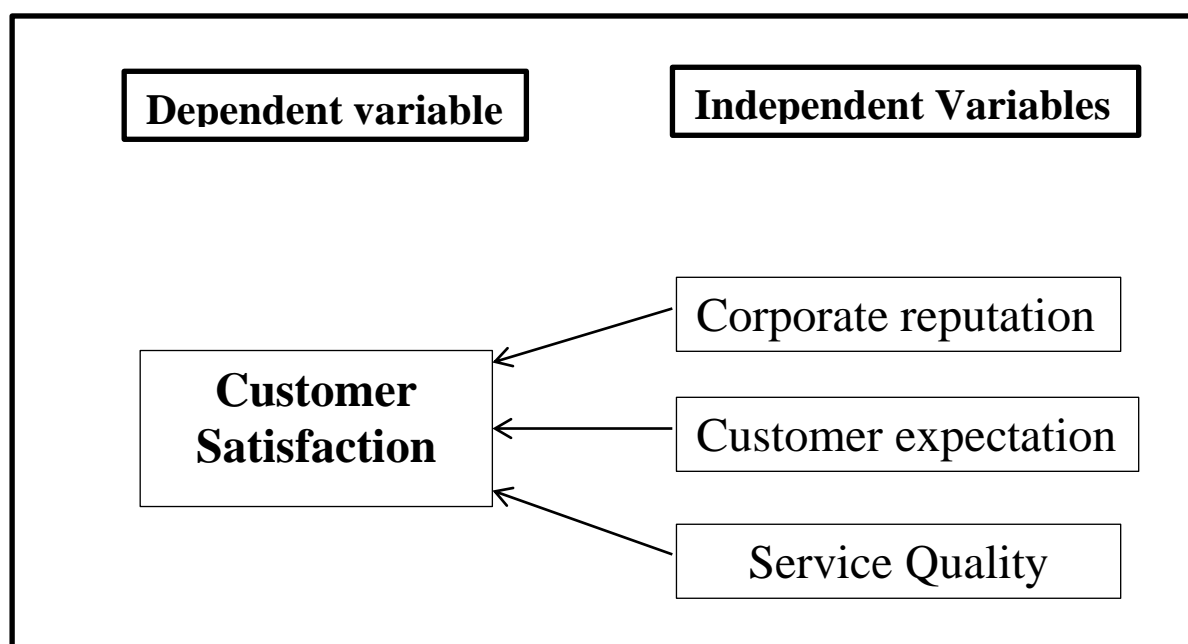
2.2.1 Theory of Contrast

Theory of contrast was claimed that presents an alternative view of the customer post-usage evaluation process as demonstrated in the assimilation theory which suggested that post-usage evaluations leads to the results in adverse predictions for the impacts of expectations on satisfaction (Aigbavboa and Thwala, 2013). The contrast theory has been defined as the tendency to magnify the discrepancy between a person's own attitude and the attitude described by opinion statements (Aigbavboa and Thwala, 2013). According to the contrast theory, customers would exaggerate any discrepancy between expectations and product evaluation. Although the theory of assimilation claims that the customers will try to reduce the discrepancy of expectations

and perceived product performance, the theory of contrast argues that a surprise effect that can lead to the discrepancy being exaggerated (Isac and Rusu, 2014). In this case, the users of co-branded credit card tend to expect more in return of reward and improvement of the product.

2.3 Proposed Theoretical / Conceptual Framework

Figure 2.1 Relationship between independent variables and customer satisfaction



Weiwei (2007) stated that corporate reputation do have positive relationship toward customer satisfaction if the service providers emphasize on improving the component of corporate reputation which in turn create a favorable corporate image and increase the customer satisfaction. Meanwhile, Gul (2014) supported outcome that revealed by Weiwei (2007) where corporate reputation has positive relationship toward customer satisfaction. Positive corporate reputation can increase customer intention and loyalty as well as customer satisfaction. Hence, this study predicts that corporate reputation has positive relationship with customer satisfaction.

For the independent variable of customer expectation, Almsalam (2014) stated in his study that customer expectation has a positive effect on customer satisfaction. He

proposed that a service provider must determine what expectation level that a customer desires in order to increase the customer satisfaction which ultimately retains valued customers. In addition, based on Ali et al. (2015), they hypothesized that customer expectation is highly significant with customer satisfaction. The significant positive relationship between customer expectation and customer satisfaction is in the same line as other researchers. Hence, this study predicts customer expectation is positively related with customer satisfaction.

Agyapong (2011) stated in his study that there is a positive relationship between service quality and customer satisfaction. He proposed that service quality is the dominant route to customer satisfaction. This statement is also supported by previous researchers. However, Ali et al. (2015) discovered that service quality has insignificant negative impact on customer satisfaction. This revealed that attention must be paid more to service quality to convert its contribution positively in the customer satisfaction. Hence, this study predicts that service quality is positively related with customer satisfaction.

2.4 Hypotheses Development

In this study, three hypotheses statement are formed to examine the impact of independent variables on customer satisfaction.

2.4.1 Corporate reputation

H_0 : There is no significant relationship between corporate reputation and customer satisfaction.

H_1 : There is significant relationship between corporate reputation and customer satisfaction.

According to Gul (2014), he observed that corporate reputation as the independent variable that has positive and significant relationship with customer satisfaction. This hypothesis is also supported by Weiwei (2007) who proposed that customer satisfaction is significantly and positively influences by high level of corporate reputation. This indicates that higher

corporate reputation tend to increase the customer satisfaction level. Therefore, this hypothesis is adopted to investigate the relationship between corporate reputation and customer satisfaction to determine whether corporate reputation has significant effect on customer satisfaction.

2.4.2 Customer expectation

H_0 : There is no significant relationship between customer expectation and customer satisfaction.

H_1 : There is significant relationship between customer expectation and customer satisfaction.

According to Ali et al. (2015), the empirical result shows that customer expectation is positively correlated with customer satisfaction. This reveals that customer expectation is significantly impact on customer satisfaction since the coefficient of the result is significant. The statement is also supported by the previous researchers. Although the variable coefficient is significant, but the authors mentioned that attention must be paid on customer expectation to increase the customer satisfaction. The positive relationship between customer expectation and customer satisfaction also proposed Gures, Arslan and Tun (2014) where he mentioned that a service provider has to understand the customer needs in order to fulfill their expectation in order to achieve higher level of customer satisfaction. Therefore, a hypothesis is developed to examine whether there is a positive and significant relationship between customer expectation and customer satisfaction.

2.4.3 Service quality

H_0 : There is no significant relationship between service quality and customer satisfaction.

H_1 : There is significant relationship between service quality and customer satisfaction.

According to (Agyapong, 2011; Naeem, Akram & Saif, 2009), a hypothesis of high level of service quality brings a strong impact on the overall level of customer satisfaction was developed in their study. This statement is also supported by previous researchers. As a result, based on their findings, the empirical result proved that service quality is the main factor that affects customer satisfaction. In other words, there was a positive relationship between service quality and customer satisfaction. Hence, this hypothesis is adopted to examine whether there is a positive and significant relationship between service quality and customer satisfaction.

2.5 Conclusion

As the literature review mainly emphasized, customer satisfaction has been gaining increasing number of attention from researchers as a recognized field of academic study. Throughout the discussion in the literature review, previous studies have obtained results showing that the determinants (customer expectation, corporate reputation and service quality) are positively significant related to customer satisfaction on co-branded credit card. Furthermore, a review of the theory of customer satisfaction which was the Theory of Contrast which presented by previous researchers are also been covered in the chapter. In the following part of this chapter, a theoretical framework is proposed in which the customer satisfaction sets as the dependent variable, whereas corporate reputation, customer expectation and service quality are set as the independent variables. Last but not least, three hypotheses have been formed to obtain a better understanding on the relationship and impact of the three independent variables on customer satisfaction.

CHAPTER 3: METHODOLOGY

3.0 Introduction

After reviewing Chapter 2, it generates stronger understanding towards the research area and a better playground for further development of the study. This chapter reserves the purpose of discussing the methodology applied in the research to achieve research objective. The methodology employed under this research will be presented. A survey is to measure the relationship between customer satisfaction (dependent variable) and the determinants (corporate reputation, customer expectation and service quality). A total of 250 survey questionnaires will be hand out to co-branded credit card customers. The research's statistical results will be collected, observed, analyzed and presented via SPSS software.

3.1 Research Design

This study (quantitative research) used numeric and quantifiable data including primary data which collect through survey. The data used to test the hypotheses of this study which are there is a relationship between corporate reputation customer expectation and customer satisfaction, there is a relationship between and customer satisfaction and there is a relationship between service quality and customer satisfaction. Research designs can be qualitative or quantitative in nature. However, based on this study, a quantitative research design is more suitable for methods of collection and utilization of data to confirm the validity of the hypothesis in this study.

Data of three independent variables are collected from the questionnaire which set to determining the satisfaction scale from the targeted population. These variables are Corporate Reputation (CR), Customer Expectation (CE), and Service Quality (SQ). The dependent variable which we use in this study is customer satisfaction. The study used SPSS software to conduct the test on regression model and the correlations.

3.2 Data Collection Method

Generally, the researchers will use primary data and secondary data are in order to examine an outcome of a research. In this case, primary data are used to carry out this research to study the customer satisfaction towards the factors affecting the decision on applying a co-branded credit card in Malaysia. In order to acquire an accurate and precise information data, the usage of primary data has chosen. This study is aim to look at the extent to which the independent variables would affect the customer satisfaction level of co-branded credit card users.

3.2.1 Primary Data

This study chooses to use primary data as quantitative method. Questionnaire is constructed for this study with purpose of collecting data on behaviors, attitude, experiences or opinions of the target population who are mainly the co-branded credit card users. The questionnaire is then distributed to 250 respondents from Ipoh and Kampar, Perak. Wu (2013) pointed that, having more data would improve estimate of the underlying linear relationship. Besides, having more data allows the “data to speak for itself,” instead of relying on unproven assumptions and weak correlations. This is because more data always improve statistical efficiency. With this primary data collection method, the information collected will rather be ‘self-reported’ data instead of first-hand data. The questionnaire is designed to address general information and provide an answer to each of the research questions. In addition, the questionnaire has separate into two sections; Section A and B. Section A addressed the general data about the respondents, while Section B addressed the respondents who are the co-branded credit card users on their attitude and experiences towards the usage of co-branded credit card from the scale of 1 to 5, where 1 = Strongly agree, 2 = Agree, 3 = Neutral, 4 = Disagree, and 5 = Strongly disagree.

3.3 Sampling Design

3.3.1 Target Population

This study mainly targets the population of respondents who currently own a co-branded credit card with any banks and service providers in Malaysia. The co-branded credit card users are chosen as the target population in the study due to their response is important in determining the level of customer satisfaction. Instead of collecting data from the general public, this study is more specialized in collecting data from the specific population of co-branded credit card users in which the data collects are more precise and accurate in determining the level of customer satisfaction.

3.3.2 Sampling Frame and Sampling Location

Since this study is based on the quantitative research, therefore the data is generated through the survey method. Questionnaires were distributed to the qualify respondents in the targeted location. As a result, Perak is chosen as the targeted location because the location is accessible. Particularly, Ipoh and Kampar were selected to be the area for carrying out the survey because both areas are developing rapidly in recent years (Wijnen, n.d.).

As stated in (“Ipoh Tourism Board Official Website,” n.d), Ipoh is the capital city of the state of Perak and with a population of over 710,000 people. Besides, Ipoh appears to be more booming with all sorts of new property development such as hotels, shopping mall and other residential projects which highly facilitated (Aqilah, Krishnan, & Kuan, 2016). On the other hand, as mentioned by Loh (2015) in The Star, there is no doubt Ipoh is developing rapidly nowadays and there would be more superstructure in Ipoh area as mentioned by Real Estate and Housing Developers Association Malaysia

(Rehda) Perak. Hence, the probability of owning a co-branded credit card in Ipoh is likely to be higher if compare to other cities.

Instead of choosing other main cities in Perak such as Teluk Intan, Batu gajah and Taiping as the area of study, Kampar has been chosen as the target population in this research. Kampar now has been the education centre in Perak which UTAR, TAR UC and Westlake International School were located in the main town and it believed that there is potential growth few years later as mentioned by Lee (2016). As stated by Foong (2015), in recent years, Kampar has turned into a bustling education hub with over 24,000 students in Bandar Baru Kampar which in turn brought into new investment from the investors. Furthermore, Kampar is further expanding as the federal government decides to build a satellite hospital in the township and MARA is proposing to set up a university at nearby Gua Tempurung. Besides, JS Valuers Property Consultants (Perak) Sdn Bhd executive director Yap Tian Sing emphasized that residential and property projects are in the progress to further expand as well as student accommodation in Kampar is improving. Having seen Kampar is said to be more booming as proven by the number of commercial banks in town was increased to 8 branches as well as the rapid growth in population to well above 70,000 in year 2013 (Gough, 2013). Meanwhile, Kampar is said to possess potential for tourism development. As conclusion, the turnaround in Kampar becomes the starting point in driving the economy growth and therefore, it brings an opportunity for introducing more financial products to the residents in Kampar.

3.3.3 Sampling Elements

The element of this study is usually the respondents who taking part in the survey which included bank, corporations, financial service providers (Maybank, CIMB Bank, Bank Rakyat, Aeon Credit Service, and Affin Bank), students, professional, housewives and wage earners. Banks, corporations and

financial service providers are the collaborated partners who issue co-branded credit cards to users. Meanwhile, students and housewives who have no income are not meeting the requirement for applying the co-branded credit card, so they are only eligible to hold supplementary co-branded credit card instead of principal card. For professional and wage earners, they are eligible for applying the principal card since they have stable income.

3.3.4 Sampling Technique

Sampling technique is used in this study because of the large population in Perak which requires a big effort in term of time and money. Therefore, a sample is chosen in an appropriate way in order to reflect the characteristics of the particular population and draw a conclusion for the whole population. Stratified sampling technique is chosen in this study and it is a simple sampling technique. Stratified sampling technique is commonly used because it can help to reduce the sampling error and it provides precise information of the subpopulation about the variables in the study. In this sampling technique, the population is randomly sampled within each category of stratum such as non-card user and card user. More precisely, this study collects data from sample that randomly select from the population of co-branded card users.

3.3.5 Sampling Size

Sample size is the number of target population that considers to be used in the study. This study consists of 250 sample sizes which target on co-branded credit card users. There was a study supported by Ming-Yen Teoh, Chong, and Mid Yong (2013) where more than 200 credit card holders are taken as sample size for their questionnaire research by using the area sampling and convenience snowball sampling methods. It is advisable to apply convenience snowball sampling methods in our study as it is a subset of larger population

in Kampar and Ipoh area and constructed to serve a specific group such as co-branded credit card users. Other than taking the sample size according to the population, this study is more emphasized on the specified group of users. Through the interview, there are approximate 1000 co-branded credit card users among those five banks or service providers. Therefore, the number of sample size is determined by taking the average from the highest and lowest number of co-branded credit card users in different banks obtained in the interview session previously conducted in chapter 1. As a result, roughly 250 of the respondents are taken into this study as sample size.

3.4 Research Instrument

The technique chooses to gather the data will be the self-managed questionnaire method in this study (Refer to appendix 3.4). The questionnaire is generally distributed to the co-branded credit card users who live in rural and urban mainly in Perak which the target area is Ipoh and Kampar.

Before the actual testing, a pilot test must be implemented to make the questionnaire more reliable. For testing the relationship between the dependent variable (customer satisfaction) and independent variables (corporate reputation, customer expectation and services quality), 50 respondents who lived in Kampar and Ipoh area had been selected to answer the pilot questionnaires. When fill in the questionnaire, the respondents are required to concentrate on the questions and welcome to express their opinions toward each item. A clear explanation is provided when the respondents are uncertain about the definition of the questions. 50 set of pilot questionnaires will be collected after the respondents completed all the questions. Then, the data will be arranged and key in into the computer and process the data collected by using Statistical Package for Social Science (SPSS) software Version 20.0. Since the questions become more relative and stability, an actual test can be implemented to evaluate the association between the dependent variable and independent variables.

3.4.1 Questionnaire Design

Each questionnaire has 25 questions in total. They have been set in the questionnaires which involved in 2 sections. Section A included the questions related to demographic information of the respondents. It consists of 5 questions which are gender, age, marital status, income and occupation. There are 15 questions for independent variable and 5 questions for dependent variable in Section B. The dependent variable for the questionnaire is customer satisfaction and independent variable includes corporate reputation, customer expectation and service quality. The 5-point likely scale will use to determine the dependent variable and independent variables.

3.4.2 Descriptive

Demographic questions are an essential field of any survey. Demographic questions are created to assist survey researchers to identify what elements may influence a respondent's answers and opinions. Ones can compare subgroups to see the difference between the groups through demographic information collection. In fact, age is one of the most common demographic questions asked in surveys as their age ranges may influence the number of applying co-branded credit card. How old a person is will often determine his/her knowledge and experience with the focus of the survey. For instance, a respondent in his 20s will have different answer with a respondent in his 70s. On the other hand, marital status is treated as one of the crucial element to be asked by survey researchers. Respondents who are separated or divorced will have different point of view compare to those who are married.

3.5 Data Processing

The data processing refers to preparation make before the research data starts to evaluate. It consists of data checking, coding, entering and transcribing. A total of 250 sets of questionnaires were being distributed to the respondents who own a co-branded credit card. 250 sets of questionnaires have been collected and tested by using Statistical Package for Social Science (SPSS) software Version 20.0.

3.5.1 Data Checking

First, the questionnaires will go through the checking process. Data checking is an important step in data prearrangement. Data checking involves the legality and completeness of the data. All the questionnaires are checked clearly to ensure no errors occurs on the grammar or language that may cause the misunderstanding of the respondents. Besides, the wordings and sentences used must be simple and clear to the respondents so that they can understand the questions asked clearly. Otherwise, the respondents are unable to provide their accurate information and opinions for this study. 250 sets of questionnaires were hand out to the people who own a co-branded credit card in Perak. All the collected questionnaires need to be checked and make sure no mistake occurs when the respondents answer the questions. The common mistakes might happen like answer the question at the wrong column and so on. These mistakes must be identified to avoid mis-presentation.

3.5.2 Data Editing

After the checking process, the data collected needs to be edited. Data editing means the data collected should be edited in advance before presenting it as information. This procedure is to assure the data provided is correct, complete and constant (Statcan.gc.ca, 2013). The researchers will conduct data checking on respondents who miss out the important question or misunderstand the

questions. Researchers will then adjust the data to become more complete, accurate, and constant. Improving data's precision and accuracy in this study was a result of editing. Any data that found to be irrelevant, inconsistent and biased will be edited. Therefore, it allows the researchers to have a more relevant data and also reduces the difficulties of data analyzing.

3.5.3 Data Coding

In this research, Statistical Package for Social Science (SPSS) software Version 20.0 will be used for data coding. The questionnaires separate into two sections (A and B). Section A is demographic, question asks about gender, age, income level, marital status and occupation as well. In section B of the 5-point Likert scale, coded number "1" will be strongly agree, coded "2" will be agree and so on.

3.6 Data Analysis

Statistical Package for Social Science (SPSS) software Version 20.0 will help to examine and analyze the data collected from the questionnaires. Incomplete questionnaires will be rejected to ensure the data is accurate, precise and reliable.

3.6.1 Descriptive analysis

Descriptive analysis mainly for describe the collected information from questionnaires quantitatively. Demographic profile of respondents and central tendencies measurement of conduct will be separate respectively into descriptive analysis. The respondents' demographic profile includes the frequency and percentage, while the mean value and standard deviation will be shown in central tendencies measurement of conducts.

3.6.2 Scale Measurement

3.6.2.1 Reliability test

Reliability analysis is a method that used to examine the stability and consistency of the result. In this study, Cronbach's Alpha is applied to examine the internal consistency of a test as well as to examine the correlation of a set of items are as a group (Tavakol and Dennick, 2011).

All the questions included in Section B and Section C are required to run the reliability test in SPSS version 20.0 to make sure the reliability and consistency of both variables. Besides, as stated by Tavakol and Dennick (2011), Cronbach alpha is expressed as a number between 0 and 1. Somehow, the author stated that the acceptable value of alpha is with the range from 0.70 to 0.95. A low number of questions or poor correlations between the items lead to the low value of alpha. If alpha is too high, it may cause by the manipulate number of items in a same question but in different guise. Therefore, a maximum alpha value of 0.90 is suggested by the author.

3.6.3 Inferential analysis for research

3.6.3.1 Pearson Correlation Coefficient Analysis

The purpose of Pearson Correlation Coefficient Analysis is to examine the correlation between two independent variables as well as to identify whether there is any multi-collinearity problem in the study (Bunescu & Comanicu, 2014). The relationship between corporate reputation, customer expectation, and service quality are examined by Pearson correlation analysis. From -1 to +1 is the benchmark for range of correlation coefficient. A positive correlation represent that two variables are positive relationship (Malhotra, Hall, Shaw &

Oppenheim, 2006). According to Friday and Emenonye (2012), if the correlation value between the independent variables is 0.90 and above, there is a high correlation between the independent variables, so multicollinearity problem probably will occur. The significant level of 1% is used to test for significance of the independent variables as it is default significance level in SPSS software in this study.

3.6.3.2 Multiple Linear Regression Analysis

Multiple linear regression analysis measures the relationships between independent and dependent variables. An equation for the MLR will be created after the result is generated. Below show that the equation for multiple regression models:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \dots + \beta_nX_n$$

A multiple linear regression models will be formed. The equation of multiple regressions that is involved in this study is as follow:

$$Y = \beta_0 + \beta_1CR + \beta_2CE + \beta_3SQ$$

where,

Y= Customer's satisfaction

CR= Corporate reputation

CE = Customer's expectation

SQ= Service Quality

3.7 Conclusion

In a nutshell, throughout Chapter 3, research methodology was discussed in greater detail. In general, this chapter described way of research is conducted in term of

design of research, sampling design, methods of data collection, scale and operational definition, processing of data and analysis of data. A sample of 250 respondents from Ipoh and Kampar area was chosen as the sampling size in order to conduct a research paper with the title of the determinants of customer satisfaction on co-branded credit cards in Ipoh and Kampar area. Moreover, the construct of the questionnaire is discussed. Furthermore, SPSS version 20.0 is selected in this study to generate the data and interpret it after entire data had been collected. According to the result generated from SPSS, we are able to test the hypothesis by using multiple regression analysis, determine the correlation of the variables, tests the reliability of the variables as well as their significance relationship. All the results will be further discussed in the following chapter.

CHAPTER 4: DATA ANALYSIS

4.0 Introduction

In order to find out the relationship between the factors affecting the determinants and customer satisfaction level, data are then collected and analysed under this chapter. A total of 250 sets of questionnaire's result were being analysed and obtained by using the Statistical Package for the Social Sciences (SPSS) software version 20.0. In this chapter, the results and findings will be demonstrated in few different parts which included descriptive analysis for demographic profile, constructs for central tendencies measurement, measurement of scale which are supported by the reliability test involved the Pearson correlation coefficient analysis and multiple linear regression analysis. A brief conclusion was made as summary.

4.1 Descriptive Analysis

Demographic information of 250 questionnaire respondents are being analysed and the results obtained are then interpreted in the form of table, pie chart and figures under this section. Under the demographic profile section, a total of five questions are comprised which are specifically gender, age, marital status, income level, and occupation.

4.1.1 Respondent Demographic Profile

4.1.1.1 Gender

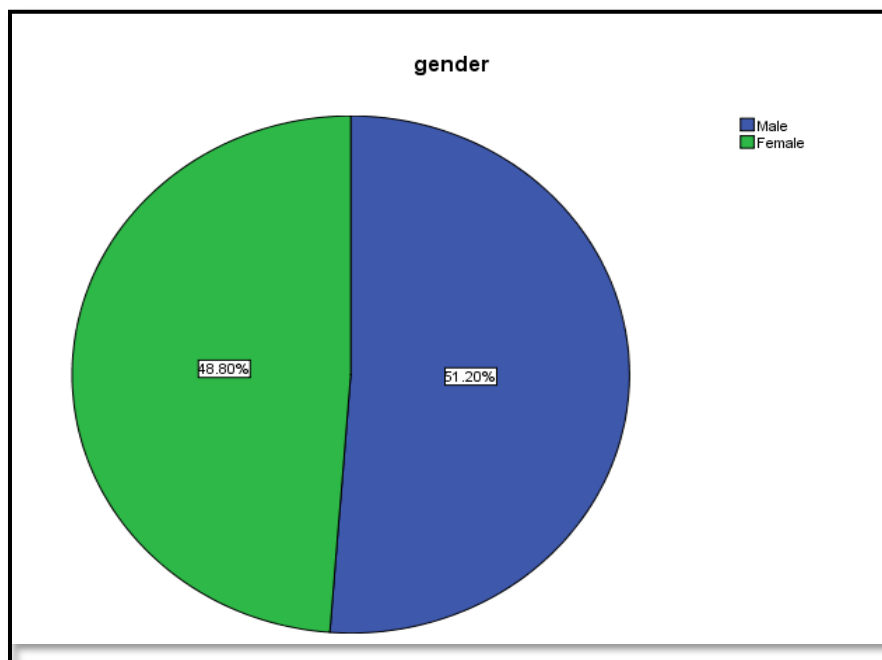
Table 4.1: Statistics of Respondents' Gender

Gender

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Male	128	51.2	51.2	51.2
Female	122	48.8	48.8	100.0
Total	250	100.0	100.0	

Source: Developed for the research

Figure 4.1: Statistics of Respondents' Gender



Source: Developed for the research

The above Table 4.1 and Figure 4.1 exhibit that frequency and percentage of the both gender respondent in this research. The statistics above shown that there is a total of 128 males and 122 females responding to the research questionnaire. According to Figure 4.1, male respondents has taken up 51.2%

while the female respondents taken up 48.8% which was slightly higher than male respondents in participating in the questionnaire.

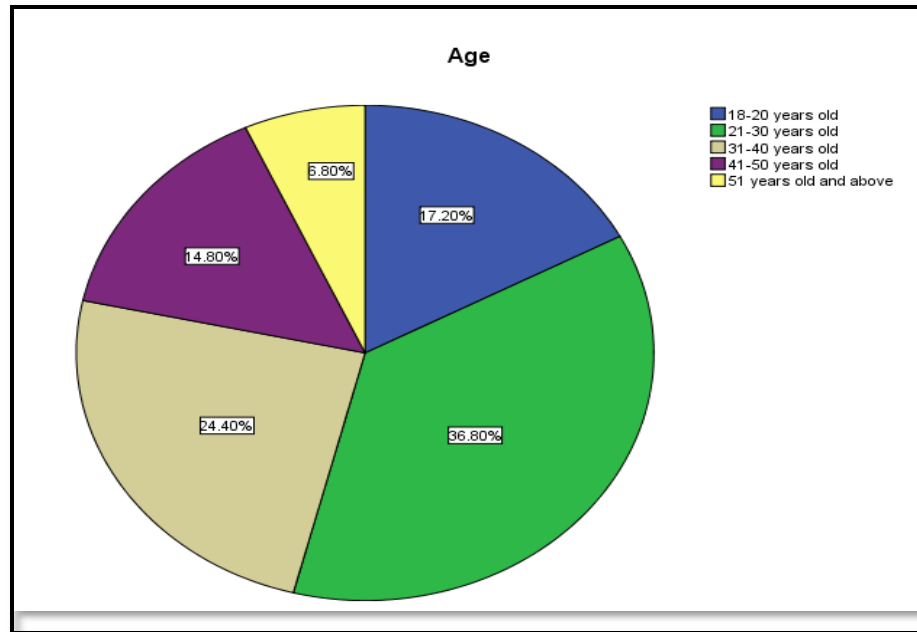
4.1.1.2 Age

Table 4.2: Statistics of Respondents' Age

Age				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 18-20 years old	43	17.2	17.2	17.2
21-30 years old	92	36.8	36.8	54.0
31-40 years old	61	24.4	24.4	78.4
41-50 years old	37	14.8	14.8	93.2
51 years old and above	17	6.8	6.8	100.0
Total	250	100.0	100.0	

Source: Developed for the research

Figure 4.2: Statistics of Respondents' Age



Source: Developed for the research

The above statistics, Table 4.2 and Figure 4.2 shows that frequency and percentage of the different group of age respondent in this research. The respondent categorized into the five group of age which are between the age of 18 to 20 years old, 21 to 30 years old, 31 to 40 years old, 41 to 50 years old and lastly, 50 years old and above. According to the statistics, there are 43 respondents which categorized into 18 to 20 years old that consist of 17.2% among the sample size. In the category of age between 21 to 30 years old, there are a sum of 92 respondents responded to the questionnaire, which has the highest number of respondents that takes up 36.8% of the total respondents in this research. There were also 61 respondents in the category of age between 31 to 40 years old that takes up 24.4% of the total respondents in this research. As for the category of age between 41 to 50 years old, it has a total of 37 respondents which consist of 14.8%. Not to mention, the category of age 50 years old and above has the lowest number of respondent that consist of only 17 respondents which only takes up 6.8% of the total respondent in this research.

4.1.1.3 Marital Status

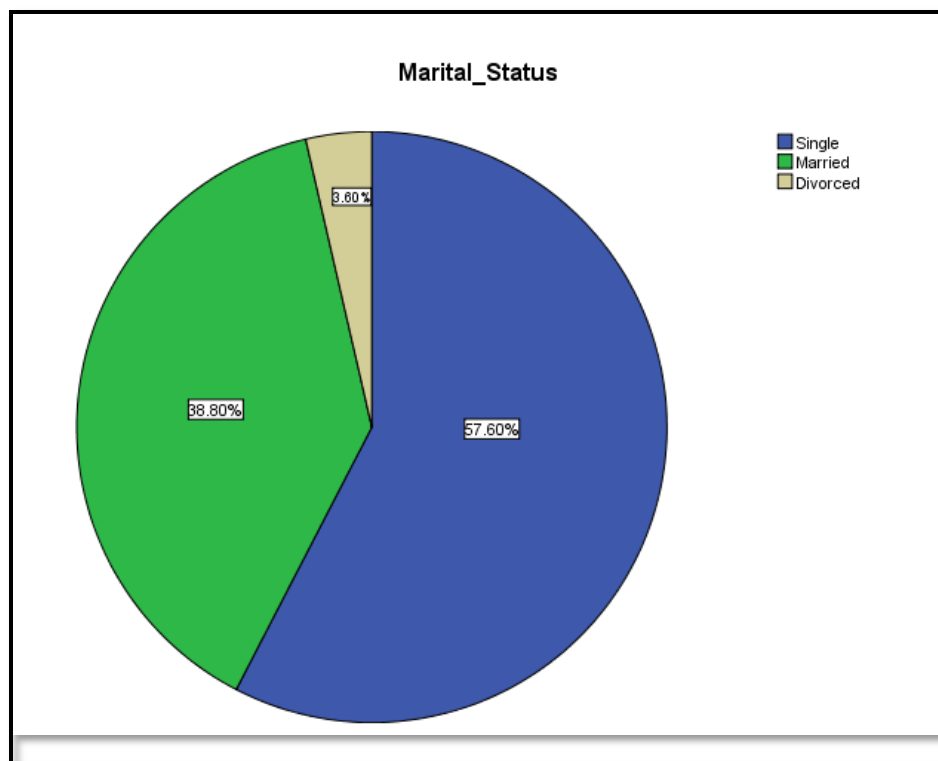
Table 4.3: Statistics of Respondents' Marital Status

Marital Status

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Single	144	57.6	57.6	57.6
Married	97	38.8	38.8	96.4
Divorced	9	3.6	3.6	100.0
Total	250	100.0	100.0	

Source: Developed for the research

Figure 4.3: Statistics of Respondents' Marital Status



Source: Developed for the research

Table 4.3 and Figure 4.3 exhibit that frequency and percentage of the respondents' marital status. Marital Status is categorized into prime category mainly single, married and divorced. There are a total of 144 respondents under the category of single which responded to the questionnaire. It is proven that more than half of the total respondent in this research are single and has taken up 57.6% of the total sample size. Followed by the category of married, a total of 97 respondents are under this category and has taken up 38.8% of the total respondents in this research. Last but not least, only 9 respondents are under the category of divorced which only occupied 3.6% of the total sample size.

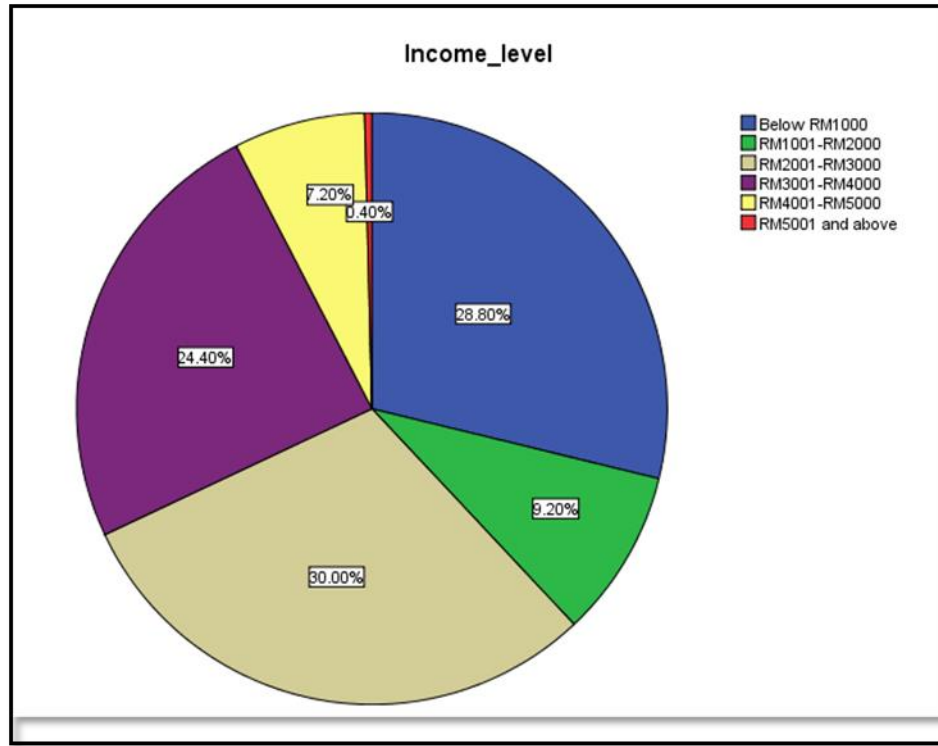
4.1.1.4 Income Level

Table 4.4: Statistics of Respondents' Income Level

		Income level			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below RM1000	72	28.8	28.8	28.8
	RM1001-RM2000	23	9.2	9.2	38.0
	RM2001-RM3000	75	30.0	30.0	68.0
	RM3001-RM4000	61	24.4	24.4	92.4
	RM4001-RM5000	18	7.2	7.2	99.6
	RM5001 and above	1	.4	.4	100.0
	Total	250	100.0	100.0	

Source: Developed for the research

Figure 4.4: Statistics of Respondents' Income Level



Source: Developed for the research

The above statistics, Table 4.4 and Figure 4.4 exhibit the frequency and percentage of each different income levels of respondent in this research. The differential level of income of respondents are categorized into six which are monthly income below RM1000, between RM1001 to RM 2,000, between RM2,001 to RM3,000, between RM3,001 to RM4000, between RM4001 to RM5, 000 and monthly income above RM5,000. Among the six categories of income level, monthly salary of RM2001 to RM3000 has the highest number of respondents which has a total of 75 respondents within this income range representing 30% of the sample size. In this research, followed by monthly income of RM1000 and below which has 72 respondents occupying 28.8% of

the total respondents. Also, 61 respondents are under the monthly income range of RM3001 to RM4000 which takes up 24.4% of the total sample size. Furthermore, total of 23 respondents are under the monthly income range of RM1001 to RM2000 which occupied 9.2% of the total respondents in this research. As for the monthly income range of RM4001 to RM5000, it has a total of 18 respondents under this category by taking up 7.2% of the total sample size. Lastly, only one respondent is under the monthly income range of RM5001 and above, which occupied only 0.4% of the total sample size.

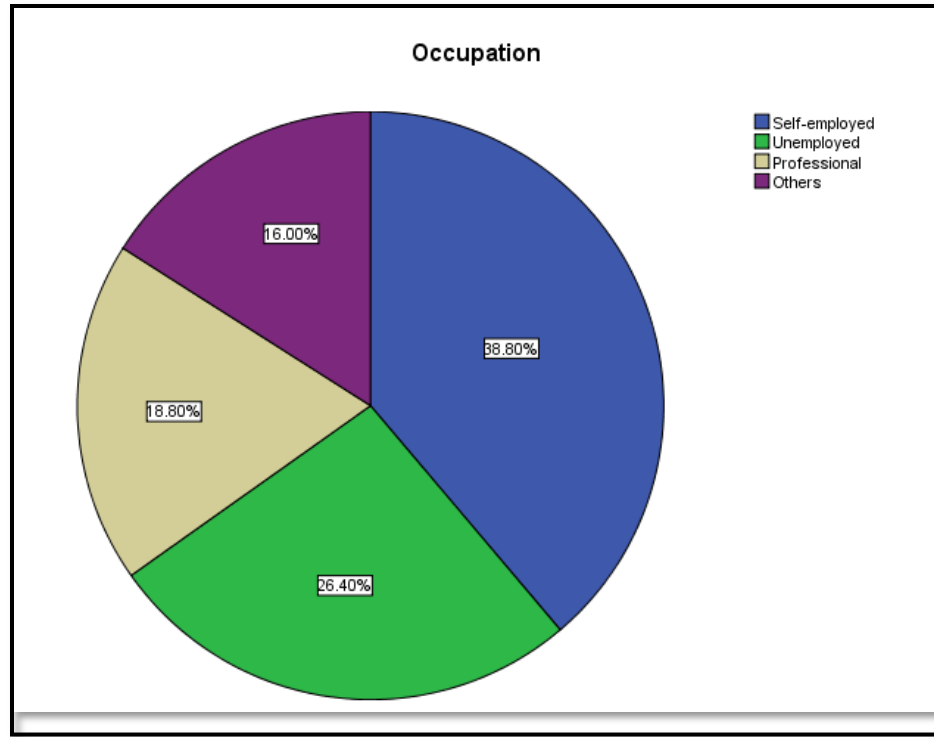
4.1.1.5 Occupation

Table 4.5: Statistics of Respondents' Occupation

		Occupation			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Self-employed	97	38.8	38.8	38.8
	Unemployed	66	26.4	26.4	65.2
	Professional	47	18.8	18.8	84.0
	Others	40	16.0	16.0	100.0
	Total	250	100.0	100.0	

Source: Developed for the research

Figure 4.5: Statistics of Respondents' Occupation



Source: Developed for the research

The frequency and percentage of respondents' occupation are disclosed on Table 4.5 and Figure 4.5. In the questionnaire, the option for occupation is categorized into four which are self-employed, unemployed, professional and others. Representing 38.8% of the total respondents in this study, 97 respondents are under the category of self-employed followed by 26.4% of the total sample size, which represented by 66 respondents in the category of unemployed. Furthermore, there are a total of 47 respondents which takes up 18.8% of the total respondents in this research that are under the category of professional. Other than the self-employed, unemployed and professional, there are also 40 respondents who responded to the questionnaires under this category which takes up 16% of the total sample size.

4.1.2 Central Tendencies Measurements of Constructs

4.1.2.1 Dependent variable: Customer Satisfaction

Table 4.6 : Descriptive Statistics of Customer Satisfaction

No	Statement	Mean	Standard Deviation
CS1	I prefer to use co-branded credit card compared to other electronic card such as credit card and debit card.	2.2560	0.66349
CS2	Co-branded credit card is necessary in my daily purchase.	2.3240	0.69639
CS3	If I am not a credit card user, I am interested to apply for a co-branded credit card.	2.3520	0.63696
CS4	I am satisfied with the co-branded credit card that I have at the moment.	2.3680	0.71738
CS5	I will recommend the co-branded credit card to my friends and relatives.	2.4400	0.67544

Source: Developed for the research

Table 4.6 illustrated the central tendencies measurement of customer satisfaction. As shown in the table above, most of the respondents prefer at CS5 with a mean value of 2.440. CS4 and CS3 is the second and third highest, which mean value represented 2.3680 and 2.3520. But, CS1 is the lowest mean value as 2.2560 which less than CS2 represented 2.3240.

Meanwhile, the table above shown that 0.71738 is the highest value of standard deviation which under CS4 and followed by 0.69639 is the second highest value of standard deviation which under CS2. Third and fourth are CS5 and CS1 which the value is 0.67544 and 0.66349 respectively. CS4 is the lowest of standard deviation with 0.63696.

4.1.2.2 Independent variable: Corporate reputation

Table 4.7 : Descriptive Statistics of Corporate Reputation

No	Statement	Mean	Standard Deviation
CR1	You sign up for a co-branded credit card depending on the reputation of the issuing bank and service provider.	1.7200	0.67187
CR2	You trust your service provider or the issuing bank for the co-branded credit card.	1.7520	0.70746
CR3	Your service provider or issuing banks are honest to their clients.	1.7960	0.70168
CR4	An excellent leadership of service provider tends to have a good corporation reputation.	1.7160	0.70806
CR5	A conducive environment will tend to increase productivity of employee which results in a good corporation reputation.	1.6920	0.66852

Source: Developed for the research

Table 4.7 illustrated the central tendencies measurement of corporate reputation. As shown in the table above, mean value at CR3 represented

1.7960 is the most of the respondents prefer. The second highest mean value is CR2 (1.7520) and the third highest mean value is CR1 (1.7200). But, the CR5 is the lowest mean value as 1.6920 which less than CR4 represented 1.7160.

Whereas, CR4 showed that 0.70806 is the highest standard deviation value which is in contrast with CR5 that has the lowest standard deviation value of 0.66852. Second, third and fourth are 0.70746, 0.70168 and 0.67187 respectively.

4.1.2.3 Independent variable: Customer Expectation

Table 4.8 : Descriptive Statistics of Customer Expectation

No	Statement	Mean	Standard Deviation
CE1	I expect the company will improve the customer service in the future.	1.7880	0.73840
CE2	I expect to receive more loyalty reward in the future.	1.8280	0.73797
CE3	I expect to have variety of co-branded credit card from the same bank in the future.	1.8120	0.72855
CE4	I expect the bank to have more collaboration under a co-branded credit card.	1.8360	0.76646
CE5	I expect future technology for the co-branded credit card will be more advance in terms of its payment system and online service.	1.7360	0.74601

Source: Developed for the research

As shown in table 4.8, it demonstrated the central tendencies measurement of customer expectation. As a result, most of the respondents are responsive toward CE4 with the mean value of 1.8360, whereas CE5 is the least preferred by the respondents with the mean value of 1.7360. The second and third highest are CE2 and CE3 which the mean value is 1.8280 and 1.8120. CE1 is the fourth with the mean value of 1.7880.

Apart from determining by the mean value, table 4.8 also illustrated standard deviation value. As shown in the table above, the highest standard deviation value is CE4 with 0.76646, followed by the second and third highest which are CE5 and CE1 with the value of 0.74601 and 0.73840. The fourth standard deviation value is CE2 which represented 0.73797, while CE3 is the lowest in standard deviation value with 0.72855.

4.1.2.3 Independent variable: Service Quality

Table 4.9 : Descriptive Statistics of Service Quality

No	Statement	Mean	Standard Deviation
SQ1	Service quality is important in determining a customer decision on applying a co-branded credit card.	1.5960	0.55318
SQ2	Reward point system provided by the co-branded credit card made me satisfied and happy.	1.9760	0.67024
SQ3	I am satisfied with the technology enhancement which makes the co-branded credit card payment on time.	2.0560	0.67430
SQ4	The efficiency of customer service in	1.9840	0.69402

	solving customer's problem regarding to the co-branded credit card really make me happy.		
SQ5	A customer satisfaction in service quality offered by issuing bank and service provider will determine a positive word of mouth.	1.8600	0.60818

Source: Developed for the research

Table 4.9 illustrated the central tendencies measurement of service quality. The highest mean value is SQ3 which represented 2.0560, followed by the second and third highest which are SQ4 and SQ2 represented 1.9840 and 1.9760. The fourth mean value is SQ5 which represented 1.8600. The lowest mean value is SQ1 with 1.5960.

SQ4 represented the highest standard deviation (0.69402), followed by the second highest which is SQ3 (0.67430). While, the third and fourth is SQ2 (0.67024) and SQ5 (0.60818). The lowest standard deviation is SQ1 (0.55318).

4.2 Scale Measurement

4.2.1 Reliability Analysis

Reliability of a statistics is the general consistency of a measure. It can differentiate the reliability of the data collected to get precise and accurate result. The test score that are highly reliable indicates that the data collected are reproducible, consistent, accurate and precision. SPSS software is used to compute the reliability test and evaluation of the reliability by using the computed result.

Cronbach's alpha	Internal consistency
$\alpha \geq 0.9$	Excellent
$0.9 > \alpha \geq 0.8$	Very Good
$0.8 > \alpha \geq 0.7$	Good
$0.7 > \alpha \geq 0.6$	Acceptable
$0.6 > \alpha \geq 0.5$	Poor
$0.5 > \alpha$	Unacceptable

Reliability Analysis serves as the purpose to analyze the accuracy and precision of the research by using Cronbach's Alpha rule. Whether the items in a set of dependent variable are positively correspondent to each other is determine by the Cronbach's Alpha value of reliability test. Based on the Cronbach's Alpha rule, scale with coefficient alpha higher or equal to 0.9 is excellent reliability, 0.9 to 0.8 is very good reliability, 0.8 to 0.7 is good reliability, 0.7 to 0.6 is acceptable reliability, 0.6 to 0.5 is poor reliability, and lower than 0.5 is unacceptable reliability.

4.2.1.1 Customer Satisfaction (Dependent variable)

Table 4.10: Reliability Statistic - Customer Satisfaction

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.705	.704	5

Refer to table 4.10, the Cronbach's Alpha is 0.705. This indicates that there are 70.5% of the questions which estimated the dependent variable (Customer Satisfaction) in the research are reliable. The result show that Cronbach's Alpha value of 0.705 which fall under the range of 0.8 to 0.7. Thus, the five items in the set which estimate the customer satisfaction is good reliability.

4.2.1.2 Corporate Reputation (Independent variable)

Table 4.11: Reliability Statistic - Corporate Reputation

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.736	.736	5

Refer to table 4.11, the Cronbach's Alpha is 0.736. This indicates that there are 73.6% of the questions which estimated the independent variable (Corporate reputation) in the research are reliable. The result show that Cronbach's Alpha value of 0.736 which fall under the range of 0.8 to 0.7. Thus, it defines as good reliability.

4.2.1.3 Customer Expectation (Independent variable)

Table 4.12: Reliability Statistic - Customer Expectation

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.819	.819	5

Refer to table 4.12, the Cronbach's Alpha is 0.819. This indicates that there are 81.9% of the questions which estimated the independent variable (Customer expectation) in the research are reliable. The result show that Cronbach's Alpha value of 0.819 which fall under the range of 0.9 to 0.8. Thus, it defines as very good reliability.

4.2.1.4 Service Quality (Independent variable)

Table 4.13: Reliability Statistic - Service Quality

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.634	.620	5

Based on table 4.13, the Cronbach's Alpha is 0.634. This indicates that there are 63.4% of the questions which estimated the independent variable (Service quality) in the research are reliable. The result show that Cronbach's Alpha value of 0.634 which fall under the range of 0.7 to 0.6. Thus, it defines as acceptable reliability.

4.3 Inferential Analysis

4.3.1 Pearson Correlation Analysis

The Pearson correlation coefficient is to examine the strength of the linear association between two variables (Philip, 2012). The independent variables included service quality, customer reputation and customer expectation must be measured on interval or ratio scale and must be approximately normally distributed. Pearson correlation coefficient is measured within the range from +1 to -1. A value of +1 represents a perfect positive relationship, while -1 represents a perfect negative relationship between two variables.

Table 4.14 : Coefficient Range Table

Coefficient range	Strength
±0.91 to ±1.00	Very strong
±0.71 to ±0.90	High
±0.41 to ±0.70	Moderate
±0.21 to ±0.40	Small but definite relationship
±0.00 to ±0.20	Slight, almost negligible

4.3.1.1 Corporate Reputation and Customer Satisfaction

Hypothesis 1:

Relationship between corporate reputation and customer satisfaction.

H_0 : There is no relationship between corporate reputation and customer satisfaction.

H_1 : There is a relationship between corporate reputation and customer satisfaction.

Table 4.15 : Pearson Correlation between corporate reputation and customer satisfaction

Correlations

		CS	CR
CS	Pearson Correlation	1	-.236**
	Sig. (2-tailed)		.000
	N	250	250
CR	Pearson Correlation	-.236**	1
	Sig. (2-tailed)	.000	
	N	250	250

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Developed from research

Result interpretation from Table 4.15:

Result of Table 4.15 shows that negative value of the correlation coefficient which means there is a negative relationship between corporate reputation and customer satisfaction. The correlation between corporate reputation and customer satisfaction is -0.236 which fall under coefficient range from ± 0.21 to ± 0.40 . Therefore, increase in corporate reputation will decrease in customer satisfaction. Thus, there is a relationship between corporate reputation and customer satisfaction although is small but definite relationship. Since p-value (0.000) and less than alpha value (0.01) so, reject the null hypothesis (H_0) and accept the alternative hypothesis (H_1).

4.3.1.2 Customer Expectation and Customer Satisfaction

Hypothesis 2:

Relationship between customer expectation and customer satisfaction.

H_0 : There is no relationship between customer expectation and customer satisfaction.

H_1 : There is a relationship between customer expectation and customer satisfaction.

Table 4.16 : Pearson Correlation between customer expectation and customer satisfaction

Correlations

		CS	CE
CS	Pearson Correlation	1	-.236**
	Sig. (2-tailed)		.000
	N	250	250
CE	Pearson Correlation	-.236**	1
	Sig. (2-tailed)	.000	
	N	250	250

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Developed from research

Result interpretation from Table 4.16:

The result of Table 4.16 shows that there is a negative value of the correlation coefficient which means there is a negative relationship between customer expectation and customer satisfaction. The correlation between customer expectation and customer satisfaction is -0.236 which fall under coefficient range from ± 0.21 to ± 0.40 . Thus, when there is high customer expectation, the customer satisfaction is low. We can conclude that there is small but definite relationship between customer expectation and customer satisfaction. Since p-value (0.000) is less than alpha value (0.01). Therefore, reject the null hypothesis (H_0) and accept the alternative hypothesis (H_1).

4.3.1.3 Service Quality and Customer Satisfaction

Hypothesis 3:

Relationship between service quality and customer satisfaction.

H_0 : There is no relationship between service quality and customer satisfaction.

H_1 : There is a relationship between service quality and customer satisfaction.

Table 4.17 : Pearson Correlation between service quality and customer satisfaction

Correlations

		CS	SQ
CS	Pearson Correlation	1	.262**
	Sig. (2-tailed)		.000
	N	250	250

SQ	Pearson Correlation	.262**	1
	Sig. (2-tailed)	.000	
	N	250	250

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Developed from research

Result interpretation from Table 4.17:

The result of Table 4.17 shows that there is a positive value of the correlation coefficient which means there is a positive relationship between service quality and customer satisfaction. The correlation between service quality and customer satisfaction is 0.262 which fall under coefficient range from ± 0.21 to ± 0.40 . Therefore, increase in service quality will increase in customer satisfaction. We can conclude that there is a relationship between service quality and customer satisfaction although is small but definite relationship. Since p-value (0.000) is less than the alpha value (0.01), therefore reject the null hypothesis (H_0) and accept the alternative hypothesis (H_1).

4.3.2 Multiple Linear Regression Analysis

Multiple linear regression analysis is a method that using more than one independent variable to explain the variance in a dependent variable.

Hypothesis 4:

H_0 : The three independent variables (corporate reputation, customer expectation and services quality) are not significant in explaining customer satisfaction.

H_1 : The three independent variables (corporate reputation, customer expectation and services quality) are significant in explaining customer satisfaction.

4.3.2.1 Strength of Relationship

Table 4.18: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.371 ^a	.137	.127	.42935

a. Predictors: (Constant), SQ, CE, CR

The correlation coefficient relationship between the dependent variable and the independent variables is explained by R value. Refer to the table 4.18, the value of correlation coefficient (R value) is 0.371. It indicates that there is a positive and low correlation between the dependent variable (customer satisfaction) and independent variables (corporate reputation, customer expectation and services quality). The R Square determines that amount of percentage that the independent variables can be explained by the variations of dependent variable. As shown in the table above, the R square value is 0.137. This shows that 13.7% of the variations of customer satisfaction can be explained by corporate reputation, customer expectation and services quality. However, other additional variables also important because it is still remaining 86.3% (100% - 13.7%) cannot be explained in this study. Means that, there are other variables can be used to explain the customer satisfaction but have not been considered in this study.

Table 4.19: ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	7.216	3	2.405	13.049	.000 ^b
Residual	45.348	246	.184		
Total	52.564	249			

a. Dependent Variable: CS

b. Predictors: (Constant), SQ, CE, CR

Based on table 4.19, the F value is 13.049 and p-value is 0.00. The p-value for this model is less than alpha value (0.05) which indicates that this model is significant. Therefore, it shows that our three independent variables are able to estimate the variation in the customer satisfaction on co-branded credit card.

Table 4.20: Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1 (Constant)	2.233	.167		13.389	.000	1.905	2.562
CR	-.110	.071	-.117	-1.543	.124	-.250	.030
CE	-.140	.061	-.174	-2.299	.022	-.259	-.020
SQ	.295	.067	.263	4.416	.000	.163	.426

a. Dependent Variable: CS

Source: Developed from research

By referring to Table 4.20, it shows that 95% of confidence interval has been chosen instead of 99%. This is because increasing the confidence level of a confidence interval will only result in larger intervals (Rumsey, 2011). Taking higher confidence interval will only explain the risk of missing the true value instead of accuracy. For instance, as the confidence level increases, the larger the z^* -value, the number of standard errors increases, the margin of error increases. It may be that the interval is so large but it is useless (assuming everything else stays the same).

As shown in Table 4.20, few hypotheses have been formed.

Hypothesis 5:

H_0 : Corporate reputation is not significant in explaining customer satisfaction.

H_1 : Corporate reputation is significant in explaining customer satisfaction.

Result interpretation from table 4.2:

Based on table 4.2 (Coefficient), corporate reputation is not significant to the customer satisfaction since the p-value for corporate reputation is 0.124 and more than the alpha value equal to 0.05. Therefore, reject the alternative hypothesis and accept the null hypothesis.

Hypothesis 6:

H_0 : Customer expectation is not significant in explaining customer satisfaction.

H_1 : Customer expectation is significant in explaining customer satisfaction.

Result interpretation from table 4.20:

Based on table 4.2 (Coefficient), customer expectation is significant to the customer satisfaction since the p-value for customer expectation is 0.022 and less than the alpha value equal to 0.05. Therefore, reject the null hypothesis and accept the alternative hypothesis.

Hypothesis 7:

H_0 : Services quality is not significant in explaining customer satisfaction

H_1 : Services quality is significant in explaining customer satisfaction

Result interpretation from table 4.20:

Based on table 4.2 (Coefficient), services quality is significant to the customer satisfaction since the p-value for service quality is 0.000 and less than the alpha value equal to 0.05. Therefore, reject the null hypothesis and accept the alternative hypothesis.

Multiple Regression equation:

By refer to table 4.20, the equation is formed based on the multiple regression model:

$$CS = 2.233 - 0.110(CR) - 0.140(CE) + 0.295(SQ)$$

Whereby,

CS= Customer Satisfaction

CR = Corporate Reputation

CE = Customer Expectation

SQ = Services Quality

4.3.2.2 Test of Significance

H_1 : There is a negative relationship between corporate reputation and customer satisfaction.

Table 4.20 shown that significant value of corporate reputation is 0.214 and more than the alpha value, 0.05. Thus, we can conclude that since the value is insignificant. Therefore, corporate reputation is not significant to explain its

relationship with customer satisfaction. Based on the equation above, when corporation reputation decrease by 0.110 units, customer satisfaction will grow by 1 units, while other variables remain constant.

H_2 : There is a negative relationship between customer expectation and customer satisfaction.

Table 4.20 shown that significant value of customer expectation is 0.022 and less than the alpha value, 0.05. Therefore, we can conclude that customer expectation has a negative relationship with customer satisfaction. Thus, H_2 is supported.

Based on the above equation, when customer expectation decrease by 0.140 units, customer satisfaction will grow by 1 units, while other variables remain constant.

H_3 : There is a positive relationship between service quality and customer satisfaction.

Table 4.20 shown that significant value of service quality is 0.000 and less than the alpha value, 0.05. Therefore, we can conclude that service quality is in positive relationship with customer satisfaction. Thus, H_3 is supported.

Based on the above equation, when service quality increase by 0.295 units, customer satisfaction will grow by 1 units, while other variables remain constant.

4.4 Conclusion

For this chapter, descriptive analysis had been used in customer satisfaction level of all the respondents towards the factors on the decision of applying co-branded credit. All the data have been examined the central tendencies and distribute into five constructs and examined by the internal reliability test. Furthermore, analysis of Pearson correlation and analysis of multiple regression have been included in order to

test the relationship between three independent variables and a dependent variable as well as the association between the five constructs. Last chapter which is Chapter 5 will be further discussed about the finding and study.

CHAPTER 5: DISCUSSION, IMPLICATIONS AND CONCLUSION

5.0 Introduction

This chapter concludes that all the findings from the previous chapter of this paper. For the descriptive analysis, reliability analysis, and inferential analysis that included in summary of statistical analysis will further discuss in this chapter. Next, the implications of the study also will be thoroughly discussed, as well as the limitations of the study. Lastly, the researchers will suggest several recommendations for future research in order to conclude the completed study.

5.1 Summary of Statistical Analysis

5.1.1 Descriptive Analysis

Under demographic segment, 250 questionnaire respondents are being tested. In order to test the descriptive analyses of 250 respondents' profile must refer to the five demographic variables or questions. Gender was the first demographic variable that tested in this descriptive analysis. 128 or 51.2% represented male respondents while 122 or 48.8% represented female respondents.

Next variable that was investigated in this descriptive analysis was age. The result showed that, 43 or 17.2% respondents within 18 to 20, 92 or 36.8% respondents within 21 to 30, 61 or 24.4% respondents within 31 to 40, 37 or 14.8% respondents within the 41 to 50, and only 17 or 6.8% respondents are 51 and above out of the 250 respondents.

Marital Status was the third demographic variable that tested in descriptive analysis. Based on the data collected, 144 or 57.6% represented single, 97 or 38.8% represented married, and only 9 or 3.6% represented divorced out of 250 respondents.

The fourth demographic variable that tested was income level in descriptive analysis. 75 or 30% represented the highest number of respondents which category in monthly salary of RM2001 to RM3000. Only one or 0.4% represented the lowest number of respondent which category in monthly salary of RM5001 and above. For the others category, 72 or 28.8% represented in the category of below RM1000, 23 or 9.2% represented in the category of RM1001-RM2000, 61 or 24.4% represented in the category of RM3001-RM4000, and 18 or 7.2% represented in the category of RM4001-RM5000 out of 250 respondents.

The fifth demographic variable that tested was occupation. The highest number are self-employed which 97 or 38.8%, 66 or 26.4% are unemployed, 47 or 18.8% are professional, and the lowest number are others occupation which 40 or 16% out of 250 respondents.

5.1.2 Central Tendencies Measurement of Constructs

In order to analyze the dependent variable which is customer satisfaction and three independent variables which is corporate reputation, customer expectation and service quality must base on 25 questions that stated in the questionnaire. SPSS software can be used to summarize the descriptive statistics which consider mean and standard deviation.

Based on Table 4.6, customer satisfaction variable showed that CS5 (I will recommend the co-branded credit card to my friends and relatives) is the highest mean value which 2.440 while CS1(I prefer to use co-branded credit card compared to other electronic card such as credit card and debit card) is the lowest mean value which 2.2560. But CS4 (I am satisfied with the co-

branded credit card that I have at the moment) is the highest standard deviation which 0.71738 while CS3 (If I am not a credit card user, I am interested to apply for a co-branded credit card) is the lowest standard deviation which 0.63696.

Based on Table 4.7, corporate reputation variable showed that CR3 (Your service provider or issuing banks are honest to their clients) is the highest mean value which 1.7960 while CR5(A conducive environment will tend to increase productivity of employee which results in a good corporation reputation) is the lowest mean value which 1.6920. But CR4 (An excellent leadership of service provider tends to have a good corporation reputation) is the highest standard deviation which 0.70806 while CR5 (A conducive environment will tend to increase productivity of employee which results in a good corporation reputation) is the lowest standard deviation which 0.66852.

Based on Table 4.8, customer expectation variable showed that CE4 (I expect the bank to have more collaboration under a co-branded credit card) is the highest mean value which 1.8360 compare to the CE5 (I expect future technology for the co-branded credit card will be more advance in terms of its payment system and online service) is the lowest mean value which 1.7360. But the highest standard deviation is CE4 (I expect the bank to have more collaboration under a co-branded credit card) which 0.76646 compare to the CE3 (I expect to have variety of co-branded credit card from the same bank in the future) is the lowest standard deviation which 0.72855.

Based on Table 4.9, service quality variable showed that SQ3 (I am satisfied with the technology enhancement which makes the co-branded credit card payment on time) is the highest mean value which 2.0560 compare to the SQ1(Service quality is important in determining a customer decision on applying a co-branded credit card) is the lowest mean value which 1.5960. But the highest standard deviation is SQ4 (The efficiency of customer service in solving customer's problem regarding to the co-branded credit card really make me happy) which 0.69402 compare to the SQ1 (Service quality is

important in determining a customer decision on applying a co-branded credit card) is the lowest standard deviation which 0.55318.

5.1.3 Scale Measurement

5.1.3.1 Reliability Analysis

In this section, 250 questionnaires has been tested reliability analysis in order to differentiate the reliability of the information and data collected to conduct precision and accurate results. Table 4.10 illustrated the reliability statistic of customer satisfaction is good reliability since the Cronbach's Alpha 0.705 fall under the range of 0.8 to 0.7 by measured five items. Table 4.11 illustrated the reliability statistic of corporate reputation is good reliability since the Cronbach's Alpha 0.736 fall under the range of 0.8 to 0.7. Table 4.12 illustrated the reliability statistic of customer expectation is very good reliability since the Cronbach's Alpha 0.819 fall under the range of 0.9 to 0.8. Table 4.13 illustrated the reliability statistic of service quality is acceptable reliability since the Cronbach's Alpha 0.634 fall under the range of 0.7 to 0.6.

5.1.3.2 Inferential Analysis

5.1.3.2.1 Pearson Correlation Analysis

The coefficient provides a measurement toward the quality of association among two variables (Philip, 2012). Coefficient range showed on Table 4.14. Table 4.15 showed negative relationship between corporate reputation and customer satisfaction since the correlation coefficient -0.236 falls under coefficient range of ± 0.21 to ± 0.40 and p-value is 0.000. Therefore, increase

in corporate reputation will lead to decrease in customer satisfaction. Table 4.16 showed inverse relationship among customer expectation and customer satisfaction since the correlation coefficient -0.236 falls under coefficient range of ± 0.21 to ± 0.40 and p-value is 0.000. Table 4.17 showed positive relationship between service quality and customer satisfaction since 0.262 falls under coefficient range of ± 0.21 to ± 0.40 and p-value is 0.000. Therefore, the improvement in service quality can enhance customer satisfaction. Therefore, increase in customer expectation will lead to decrease in customer satisfaction.

5.1.3.2.2 Multiple Linear Regression Analysis

In this section, examination of all the independent variables was carried out to determine the variable that has the most significant effect towards customer satisfaction. Based on Table 4.18, R square is 0.137 and 13.7% of the variations in customer satisfaction of respondents can explain by three independents which corporate reputation, customer expectation and services quality.

Refer to Table 4.19, F-value is significant since its p-value is smaller than alpha. Therefore, it shows that our three explanatory variables can be justified toward variation of customer satisfaction on co-branded credit card.

Multiple Regression equation:

By refer to table 4.19, the equation is formed based on the multiple regression model:

$$CS = 2.233 - 0.110(CR) - 0.140(CE) + 0.295(SQ)$$

Whereby,

CS= Customer Satisfaction

CR = Corporate Reputation

CE = Customer Expectation

SQ = Services Quality

Based on Table 4.20, corporate reputation is not significant to explain its relationship with customer satisfaction since its value of 0.214 are greater than significant level 0.05. Based on the above equation, when corporation reputation decrease by 0.110 units, customer satisfaction will increase by 1 unit, holding other variables remain unchanged. For the customer expectation is a negative relationship with customer satisfaction since customer expectation shows the value of 0.022 which are lesser than the 0.05. When customer expectation decrease by 0.140 units, customer satisfaction will increase by 1 unit, holding other variables remain unchanged. For the service quality is positive relationship with customer satisfaction since service quality with the value of 0.000 and it is lesser than alpha. When service quality increase by 0.295 units, customer satisfaction will increase by 1 unit, holding other variables remain unchanged.

5.2 Discussion of Major Findings

Hypothesis	Findings
<p>H_0: There is no relationship between corporate reputation and customer satisfaction.</p> <p>H_1: There is a relationship between corporate reputation and customer satisfaction.</p>	<p>H_1: There is a negative but insignificant relationship between corporate reputation and customer satisfaction.</p>
<p>H_0: There is no relationship between customer expectation and customer satisfaction.</p>	<p>H_1: There is a negative and significant relationship between customer expectation and customer satisfaction.</p>

<p>H_1: There is a relationship between customer expectation and customer satisfaction.</p>	
<p>H_0: There is no relationship between service quality and customer satisfaction. H_1: There is a relationship between service quality and customer satisfaction.</p>	<p>H_1: There is positive and significant relationship between service quality and customer satisfaction.</p>

H_1 : There is a negative but insignificant relationship between corporate reputation and customer satisfaction.

The result of the research shown that when corporation reputation increases, the customer satisfaction will reduce, yet there is insignificant impact on customer satisfaction. As mentioned by Weiwei (2007) and Gul (2014), they emphasized that corporate reputation has a positive and significant relationship with customer satisfaction. However, the major findings concluded from the table above are opposed with the hypothesis supported by the previous researchers. This is probably due to most of the customers are more emphasized on the benefits offered by the corporations regardless of their image and reputation. For instance, if two banks offer the same products with Bank A offer a more attractive and quality criteria than Bank B although Bank B has a good reputation and image in banking area, yet customer will tend to choose Bank A based on the result of our research. Therefore, corporate reputation has insignificant evidence to prove as a factor of affecting the customer satisfaction among the co-branded card users. Despite the result generated is inconsistent with the research proposed by previous researchers, but this could be a new finding generated.

H_1 : There is a negative and significant relationship between customer expectation and customer satisfaction.

The result obtained shown that CE has negative influence with CS of co-branded card users. This indicates that the actual experience a customer have with a product offered by the service provider is less satisfied as the customer has a high expectation on the product and service offer. In the study of Ali et al. (2015), they proposed that customer expectation is positively correlated with customer satisfaction and the impact is significant. Nevertheless, results obtained from our research are in contrast with the result proposed by the researchers, whereas customer expectation is negatively but significant correlated with customer satisfaction. Thus, although the output is inconsistent with hypothesis proposed by the researchers, but customer expectation is proved to be the factor which is highly affect the customer satisfactions of the co-branded credit card users.

H₁: There is a positive and significant relationship between service quality and customer satisfaction.

Based on the table above, service quality has a positive and significant relationship with customer satisfaction. The result obtained from our findings is consistent with the result stated by previous researchers. This has been proven by Agyapong (2011) where the author stated that high level of service quality had a significant impact on customer satisfaction. Service quality influences a positive impact on customer satisfaction. Naeem, Akram and Saif (2009) also stated that high level of service quality can improve customer satisfaction significantly. Therefore, service quality is proven as a factor of affecting the customer satisfactions among the co-branded credit card users.

5.3 Implication of the Study

Among the three independent variables that have examined in Chapter 4, this study found that only two independent variables which are customer expectation and services quality are significantly related to the dependent variable. As for independent variable of corporate reputation, it does not relate to customer satisfaction. The reason is, as a customer, they care about what corporate are offering instead of corporate

reputation, only investor and corporate shareholder emphasize on corporate's profit or loss and reputation as well. Besides, this study included the comparison between those variables to ensure that the factor of customer satisfaction towards co-branded credit card. Corporate can improve their customer satisfaction based on services quality and customer expectation.

5.3.1 Banking Industry

With the findings concluded in this research, it may contribute to the benefits of banking industry locally and internationally. Information and findings contributed from this study may act as sources of reference to banking service providers in helping to enhance its future co-branded credit card offered to customer which tailored to customers' need and with greater privilege and rewards. In addition, it also provides them the ideas to distinguish its co-branded credit card from their competitors. From the result computed in this research, banking industry can focus on improving the customer expectation and service quality since both of these independent variables are significant in explaining the customer satisfaction on co-branded credit card. In order to successfully operate the banking business, banking industry should emphasize on the quality of service offered to customers by embracing the financial technology and empowering and providing continuous training to bank employees on issues like politeness, communication skills and etiquette, hence improving the customer satisfaction.

5.3.2 Companies

Not to mention, this research may also contribute to some particular companies such as airline companies, hypermarket and cinema. Companies are able to gain more knowledge on the understanding towards factors which affect customers' decision on applying a co-branded credit card before

entering into collaborations with the bank. Besides, companies also able to obtain customers' spending pattern, behaviour and trends from this research which in turn provides a greater insight to any future plans of the companies in collaboration with the bank as accordance to the customer spending pattern and preferences. By understanding better on the customers' spending behaviour, it will eventually create higher number of co-branded credit card users and attain higher customer satisfaction by fulfilling customers' needs. In order to satisfy their customers, companies should also ensure that the services they provide are up to the expectation of their customers as it considered one of the significant factors in affecting the customer satisfaction.

5.3.3 Co-branded credit card clients

Moreover, this research can contribute knowledge to the clients of the co-branded credit card since this study emphasized on the customer satisfaction of co-branded credit card. With the findings provided in this research, clients of the co-branded credit card can gain extra information on the use of co-branded credit card and conveniences that it provides. Since corporate reputation is not significant in explaining customer satisfaction, clients should not worry about the banking institutions' reputation while applying for a co-branded credit card. Instead, clients should focus on product and service offerings and service quality offered by banking service providers to its client. From this research, co-branded credit card clients are able to obtain some ideas on a co-branded credit card and recommend it to the issuing bank to enhance the usage and features of co-branded credit card that the client is currently using.

5.3.4 Bank regulators

To enhance increase the customer satisfaction, the bankers should increase their services quality on their co-branded credit card services. For instances, they could provide training to their employees regarding problem solving and

complaint handling. The customer satisfaction would increase once the employee can solve the problem well and manage to communicate well with customer. Instead of provide training to employees, the regulator can have some motivational program. According to Kerestesova (2009), the motivational program should be part of each organization that appreciates its valuable human sources, and understands that the quality of manpower, its thorough knowledge and wise management have the biggest impact on the overall prosperity of the organization and in present it is one of the greatest competitive advantages of the enterprise. For instances, corporate could have some motivational program like incentives program, employee recognition program, corporate team building trip and so on. By giving incentives, it can encourage employees to further approach the customers to explain more information regarding co-branded credit cards. Besides, the bankers should reduce customer expectation in order to increase their customer satisfaction. Bankers could reduce customer expectation by educating their customer. For instances, bankers should tell the advantages and also disadvantages of holding co-branded credit card. Based on chapter 4, this study found that corporate reputation is insignificant to customer satisfaction. This is because customers are always care about what corporate offering instead of corporate's profit or loss. At last, bankers can benefit from this study by knowing the relationship between dependent variable (customer satisfaction) and independent variables (corporate reputation, customer expectation and services quality).

5.3.5 Future researchers

Future researchers could benefit from this study by take this study's variable as reference or benchmark for their future study. According to chapter 4, this study found that one of the independent variables, corporate reputation is insignificant to the dependent variables since the p-value for corporate reputation more than the alpha value. So, future researchers may ignore or

exclude this variable from their study. Refer to table 4.20 in chapter 4, the R square's value is low, which means there are less percentage of the variations in the customer satisfaction of respondents can be explained by corporate reputation, customer expectation and services quality. In other words, there are other variables can be used to explain the customer satisfaction but have not been considered in this study. There are very less journal or article for this topic since co-branded credit card is a brand-new topic. Therefore, future researchers could refer this study as baseline information or benchmark on the co-branded credit card. The findings can assist them in conducting their future research by providing them an overview information and methodology on factors affecting the customer satisfactions on co-branded credit card

5.4 Limitation of Study

In this study, the fundamental purpose is to examine factors that affect the customer's decision on applying co-branded credit card and the customer's satisfaction in Malaysia. This study has found to be related with few limitations. Firstly, the particular study and research on the customer's satisfaction on co-branded credit card are extremely less and limited. During the research, there is a problem of difficulty of finding the study and reference which focus on customer's satisfaction of co-branded credit. Hence, the references are mostly focus on customer's satisfaction of credit card and others. On top of that, there is insufficient information and source to refer for this study and result in lack of understanding and knowledge of theory and method for the study.

The next limitation of the study is the limited coverage area. The coverage area of this study only covered in Kampar and Ipoh, which are only 2 cities of Perak state in Malaysia. In cities like Kampar and Ipoh, people are not well educated and aware about the understanding of co-branded credit card than the big cities. There is also difficulty to conduct the survey since they are lack of understanding about the purpose of the study. Therefore, the data collection is limited and it may not be

accurate and reliable to explain customer's satisfaction on co-branded credit card in Malaysia.

Lastly, the variables used to explain the customer's satisfaction on co-branded credit card are less and limited. In this study, the variables used are corporate's reputation, customer's expectation and service quality. The variables being studied are insufficient and some of it may not relate to the study. Since the studied variables are mainly focusing on the perception and behavioral of customer, there is possible that customer's satisfaction can be explain by the factor other than perception and behavioral of client.

5.5 Recommendation for Future Studies

After identified the limitations in this research, this study can provide some recommendation for future researcher which plan to conduct the similar research. First, due to there is lack of study and reference which related to customer's satisfaction on co-branded credit card, this research proposes that future researcher to seek for the study which are highly related to co-branded credit card. For instance, credit card, bank loan, banking and financing tools, and other related banking tools. Beside, face to face interview with banking institution and corporation for consultancy which is also a good way to enquire information and knowledge for the study.

Furthermore, the researchers should set other states as geographic area in Malaysia or even cover more cities and area for the research. For example, Kuala Lumpur, Pulau Penang, Johor Bahru, Sabah and Sarawak. There are many aware and educated respondents in the recommended cities which ease the survey for the study. Beside, future researchers are recommended to gather data and information of customer's satisfaction on co-branded credit in Malaysia country. The more the coverage geographic areas will result in more accuracy and reliability of the data collection to carry out better study.

Lastly, the future researchers can increase additional variables where they find it appropriate in order to explain customer's satisfaction on co-branded credit card. Future researchers may include factors like perceived price, perceived value, and loyalty of customer in the research for better results regarding customer's satisfaction on co-branded credit card.

5.6 Conclusion

This study aims to determine the factors that affect customer's satisfaction for the co-branded credit card in Malaysia mainly Ipoh and Perak. The perceptions and factors which have been implemented to this study are Corporate Reputation (CR), Customer Expectation (CE), and Service Quality (SQ). The factors and perceptions mentioned are often being adopted into the research on the determination of customer's satisfaction level by previous researchers. To draw the conclusion for this study, the relationship between corporate reputation and customer satisfaction is negative and insignificant. Based on the result, which has generated new finding which have opposite relationship compare to the previous researchers. Most of the customers in Malaysia are probably valued on the benefits offered by the corporations regardless of the corporate's profit or loss, image and reputation. Next, this research also found that there is negative and significant relationship between customer expectation and customer satisfaction. The findings propose that the customer with experience and high expectation on the return of rewards from the card issuer will tend to have less satisfaction. On top of that, customer expectation also proved to be the factor and perception which highly affect the customer satisfactions toward the co-branded credit card. Lastly, SQ has a positive relationship and affect significantly towards CS. The finding also has been proven by the previous researcher which also stated that positive and significant impact relationship between service quality and customer satisfaction. This has shown that service quality is significantly important to influence the customer satisfaction level of the co-branded credit card users. Therefore, increase the service quality from service provider such as banking industry, airline companies,

shopping mall, and cinema will definite achieve high customer satisfaction and improve the attraction of new clients.

REFERENCES

- Abdullah, Z. (2009). Beyond corporate image: Projecting international reputation management as a new theoretical approach in a transitional country. *Journal of Economics and Management*, 3(1), 170-183.
- Adilla, F. (2015, October 5). CIMB, Malaysia Airlines debut co-branded credit card. Retrieved from <http://www.themalaysianreserve.com/new/story/cimb-malaysia-airlines-debut-co-branded-credit-card>
- Agyapong, G. K. (2011). The effect of service quality on customer satisfaction in the utility industry – A case of Vodafone (Ghana). *International Journal of Business and Management*, 6(5). doi:10.5539/ijbm.v6n5p203
- Aigbavboa, C., & Thwala, W. (2013, December). *A theoretical framework of users' satisfaction/dissatisfaction theories and models*. Paper presented at 2nd International Conference on Arts, Behavioral Sciences and Economics Issues , Pattaya (Thailand).
- Ali, I., Alvi, A. K., & Ali, R. R. (2012). Corporate reputation, consumer satisfaction and loyalty. *Romanian Review of Social Sciences*, 3, 13-23.
- Ali, R., Leifu, G., YasirRafiq, M., & Hassan, M. (2015). Role of perceived value, customer expectation, corporate image and perceived service quality on the customer satisfaction. *Journal of Applied Business Research (JABR)*, 31(4), 1425-1436. doi:10.19030/jabr.v31i4.9328
- Almsalam, S. (2014). The effects of customer expectation and perceived service quality on customer satisfaction. *International Journal of Business and Management Invention*, 3(8), 79-84.
- Aqilah, I., Krishnan, N., & Kuan, T. M. (2016, May 16). Ipoh echo | Property boom in Ipoh: Will it change the face and pace of Ipoh? Retrieved from <http://www.ipoecho.com.my/v4/article/2016/05/16/property-boom-in-ipoh-will-it-change-the-face-and-pace-of-ipoh>

- Arokiasamy, A. R. (2013). The impact of customer satisfaction on customer loyalty and intentions to switch in the banking sector in Malaysia. *The Journal of Commerce*, 5(1).
- Bunescu, L., & Comaniciu, C. (2014). Analysis of correlation between tax revenues and other economic indicators in European Union Member States. *Studies in Business and Economics*, 9(1), 24-34.
- Chang, W. (2008). A typology of co-branding strategy: position and classification. *Journal of American Academy of Business, Cambridge*, 12(2), 220-226.
- Foong, P. Y. (2015, May 6). Kampar now a bustling education hub. *The star*.
- Friday, O. R., & Emenonye, C. (2012). The detection and correction of multicollinearity effects in a multiple regression diagnostics. *Osemeke Reuben Friday et al./ Elixir Statistics*, 49, 10108-10112.
- Gough, J. (2013, June 16). Bandar Baru Kampar archives | Ipoh echo (archives). Retrieved from <http://www.ipoecho.com.my/v2/tag/bandar-baru-kampar/>
- Gul, R. (2014). The Relationship between reputation, customer satisfaction, trust, and loyalty. *Journal of Public Administration and Governance*, 4(3), 368. doi:10.5296/jpag.v4i3.6678
- Gures, N., Arslan, S., & Yucel Tun, S. (2014). Customer expectation, satisfaction and loyalty relationship in Turkish airline industry. *International Journal of Marketing Studies*, 6(1). doi:10.5539/ijms.v6n1p66
- Hafeez, S., & Muhammad, B. (2012). The Impact of service quality, customer satisfaction and loyalty programs on customer's loyalty: Evidence from banking sector of Pakistan. *International Journal of Business and Social Science*, 3(16), 201-209.
- Ipoh Tourism Board Official Website. (n.d.). Retrieved January 18, 2017, from <http://www.ipoh-city.com/>

- Isac, F. L., & Rusu, S. (2014). Theories of consumer's satisfaction and the operationalization of the expectation disconfirmation paradigm.
- Karami, S., Soltanpanah, H., & Rahmani, M. (2013). The relationship between corporate reputation and organizational citizenship behavior in private banks city of Sanandaj in Iran. *Interdisciplinary Journal Of Contemporary Research In Busines*, 5(3), 713-725. Retrieved from ijcrb.webs.com
- Karim, R. A., & Chowdhury, T. (2014). Customer satisfaction on service quality in private commercial banking sector in Bangladesh. *British Journal of Marketing Studies*, 2(2), 1-11.
- Khan, M. M., & Fasih, M. (2014). Impact of service quality on customer satisfaction and customer loyalty: Evidence from banking sector. *Pakistan Journal of Commerce and Social Sciences*, 8(2), 331- 354.
- Lee, R. (2016, October 6). Magnibiz developing first condo project in Kampar. Retrieved from <http://www.theedgeproperty.com.my/content/912560/magnibiz-developing-first-condo-project-kampar>
- Loh, I. (2015, August 26). Ipoh going through a transformation. *The Star*. Retrieved from <http://www.thestar.com.my/metro/community/2015/08/26/ipoh-going-through-a-transformation-the-number-of-tall-buildings-in-the-city-on-the-rise/>
- Malhotra, N., Hall, J., Shaw, M., & Oppenheim, P. (2006). *Marketing Research: An applied orientation* (3rd ed.). Sydney: Pearson Education.
- Maybank's co-branded card to hit 40,000 mark. (2014, September 24). *BusinessWorld* [Manila].
- Ming-Yen Teoh, W., Chong, S., & Mid Yong, S. (2013). Exploring the factors influencing credit card spending behavior among Malaysians. *International Journal of Bank Marketing*, 31(6), 481-500. doi:10.1108/ijbm-04-2013-0037

- Mistry, S. H. (2013). Measuring customer satisfaction in banking sector: With special reference to banks of Surat City. *Asia Pacific Journal of Marketing & Management Review*, 2(7).
- Mohsan, F., Nawaz, M. M., Khan, M. S., Shaukat, Z., & Aslam, N. (2011). Impact of customer satisfaction on customer loyalty and intentions to switch: Evidence from banking sector of Pakistan. *International Journal of Business and Social Science*, 2(16), 263-270.
- Munyoki, P. K. (2010). *Effectiveness of co-branding as a brand strategy in the credit card sector in Kenya* (Master's thesis, University of Nairobi).
- Naeem, H., Akram, A., & Saif, M. I. (2009). Service quality and its impact on customer satisfaction: An empirical evidence from the pakistani banking sector. *International Business & Economics Research Journal (IBER)*, 8(12). doi:10.19030/iber.v8i12.3201
- Nautiyal, G. (2014). Impact of service quality on customer satisfaction in the retail banking sector. *Global Journal of Commerce & Management Perspective*, 3(3), 77-80.
- Philip, S. (2012, July 4). Pearson's correlation coefficient | The BMJ. Retrieved from <http://www.bmj.com/content/345/bmj.e4483>
- Quyett, T. V., Vinh, N. Q., & Chang, T. (2015). Service quality effects on customer satisfaction in banking industry. *International Journal of u- and e-Service, Science and Technology*, 8(8), 199-206. doi:10.14257/ijunesst.2015.8.8.20
- Rabb, A. A. (2015). A study on customer's satisfaction towards banking services of State Bank of India in Kanyakumari District. *International Journal of Management and Commerce Innovations*, 2(2), 429-443.
- Rumsey, D. J. (2011). *Statistics for dummies* (2nd ed.). Hoboken: N.J.: Wiley.
- Selvakumar, J. J. (2015). Impact of service quality on customer satisfaction in public sector and private sector banks.

Statcan.gc.ca. (2013). Power from data! Data editing. Retrieved August 19, 2016, from <http://www.statcan.gc.ca/edu/power-pouvoir/ch3/editing-edition/>

Tavakol, M., & Dennick, R. (2011). Making sense of Cronbach's alpha. *International Journal of Medical Education*, 2, 53-55. doi:10.5116/ijme.4dfb.8dfd

Uddin, M. B., & Akhter, B. (2012). Determinants of customer satisfaction of banking industry in Bangladesh.

Weiwei, T. (2007). Impact of corporate image and corporate reputation on customer loyalty : A review. *Management Science and Engineering*, 1(2), 57-62.

Wijnen, B. V. (n.d.). Kampar, the old tin city. Retrieved from <http://www.malaysiasite.nl/kampareng.htm>

Wu, G. (2013, August 7). *Why More Data and Simple Algorithms Beat Complex Analytics Models*. Retrieved from <http://data-informed.com/why-more-data-and-simple-algorithms-beat-complex-analytics-models>

APPENDICES

Appendix 3.4: Questionnaire



UNIVERSITI TUNKU ABDUL RAHMAN
FACULTY OF BUSINESS AND FINANCE
UNDERGRADUATE RESEARCH PROJECT

Questionnaire

Research Title: The Determinants of Customer Satisfaction on Co-branded Credit card in Ipoh and Kampar area

Dear Respondent,

We are Banking and Finance students from Universiti Tunku Abdul Rahman. We are currently undergoing our Final Year Project titled “The Determinants of Customer Satisfaction on Co-branded Credit card in Ipoh and Kampar area”.

The purpose of this survey is to examine the customer satisfaction towards the factors that affect the decision on applying a co-branded credit card.

Please answer all given questions to the best of your knowledge. All responses are completely confidential.

Thank you for your participation.

	Student ID	Name	Phone No.	E-Mail Address
1	1303791	CHAI CHUI LENG	017-6873987	calliechai_95@hotmail.com
2	1302957	MAH PUI TING	016-5365572	enderlinemah@hotmail.com
3	1305478	PAWN YI WEN	010-2850071	evonpawn@outlook.com

4	1305450	SEAN ANG XIANG EN	013- 5892969	Sean1566@hotmail.my
5	1306084	SOON ZHONG LI	017- 9774725	zhonglisoon@icloud.com

Instructions:

- 1) There are TWO (2) sections in this questionnaire. Answer ALL questions.
- 2) It will take you approximately 10 minutes.
- 3) The contents of this questionnaire will be kept strictly and confidential.

Questionnaires

Section A

Please tick (√) the following answer box for each question. (Sila tandakan (√) dalam kotak jawapan berikut untuk setiap soalan.)

Demographic

1. Gender (Jantina)

- Male (Lelaki)
 Female (Perempuan)

2. Age (Umur)

- 18-20 years old (Berusia 18-20 tahun)
 21-30 years old (Berusia 21-30 tahun)
 31-40 years old (Berusia 31-40 tahun)
 41-50 years old (Berusia 41-50 tahun)
 51 years old and above (Berusia 51 tahun dan ke atas)

3. Marital status (status perkahwinan)

- Single (Tunggal)
 Married (Berkahwin)
 Divorced (Bercerai)

Others (Lain-lain): _____

4. Income level (Tahap pendapatan)

- Below RM1000 (Bawah RM1000)
- RM1001-RM2000 (RM1001 ke RM2000)
- RM2001-RM3000 (RM2001 ke RM3000)
- RM3001-RM4000 (RM3001 ke RM4000)
- RM4001-RM5000 (RM4001 ke RM5000)
- RM5001 and above (RM5001 dan ke atas)

5. Occupation (Pekerjaan)

- Self-employed (Bekerja sendiri)
- Unemployed (Menganggur)
- Professional (Profesional)
- Others (Lain-lain): _____

Section B

Please circle only one response for each of the following statement below from the scale of 1 to 5 where,

Strongly agree = 1, Agree = 2, Neutral = 3, Disagree = 4, Strongly disagree = 5

(Sila bulat hanya satu jawapan untuk setiap pernyataan yang berikut di bawah dari skala 1 hingga 5 di mana,

Sangat setuju = 1, Setuju = 2, Neutral = 3, Tidak Setuju = 4, Sangat tidak bersetuju = 5)

Part 1:

Corporate Reputation

Statement	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
-----------	----------------	-------	---------	----------	-------------------

<p>1. You sign up for a co-branded credit card depending on the reputation of the issuing bank and service provider.</p> <p>(Anda mendaftar untuk kad kredit jenama bersama bergantung kepada reputasi bank dan perkhidmatan pembekal yang mengeluarkan.)</p>	1	2	3	4	5
<p>2. You trust your service provider or the issuing bank for the co-branded credit card.</p> <p>(Anda percaya pembekal khidmat anda atau bank yang mengeluarkan kad kredit jenama bersama.)</p>	1	2	3	4	5
<p>3. Your service provider or issuing banks are honest to their clients.</p> <p>(Pembekal khidmat anda atau mengeluarkan bank jujur kepada pelanggan mereka.)</p>	1	2	3	4	5
<p>4. An excellent leadership of service provider tends to have a good corporation reputation.</p> <p>(Pembekal perkhidmatan yang dipimpin cemerlang mempunyai syarikat reputasi yang baik.)</p>	1	2	3	4	5
<p>5. A conducive environment will tend to increase productivity of employee which results in a good corporation reputation.</p> <p>(Persekitaran yang kondusif akan meningkatkan produktiviti pekerja yang menyebabkan reputasi syarikat yang baik.)</p>	1	2	3	4	5

--	--	--	--	--	--

Part 2:

Customer expectation

Statement	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
<p>1. I expect the company will improve the customer service in the future.</p> <p>(Saya menjangka syarikat itu akan meningkatkan perkhidmatan pelanggan pada masa akan datang.)</p>	1	2	3	4	5
<p>2. I expect to receive more loyalty reward in the future.</p> <p>(Saya mengharapkan untuk menerima lebih banyak ganjaran kesetiaan pada masa hadapan.)</p>	1	2	3	4	5
<p>3. I expect to have variety of co-branded credit card from the same bank in the future.</p> <p>(Saya mengharapkan untuk mempunyai pelbagai kad kredit jenama bersama daripada bank yang sama pada masa hadapan.)</p>	1	2	3	4	5
<p>4. I expect the bank to have more collaboration under a co-branded credit card.</p> <p>(Saya mengharapkan bahawa bank mempunyai lebih banyak kerjasama dengan bank lain bagi kad kredit jenama bersama.)</p>	1	2	3	4	5

<p>5. I expect future technology for the co-branded credit card will be more advance in terms of its payment system and online service.</p> <p>(Saya mengharapkan teknologi masa depan untuk kad kredit jenama bersama akan menjadi lebih maju dari segi sistem pembayaran dan perkhidmatan dalam talian.)</p>	1	2	3	4	5
--	---	---	---	---	---

Part 3:

Service Quality

Statement	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
<p>1. Service quality is important in determining a customer decision on applying a co-branded credit card.</p> <p>(Kualiti perkhidmatan adalah penting dalam menentukan keputusan pelanggan mengenai permohonan kad kredit jenama bersama.)</p>	1	2	3	4	5
<p>2. Reward point system provided by the co-branded credit card made me satisfied and happy.</p> <p>(Sistem mata ganjaran yang diberikan oleh kad kredit jenama bersama membuatkan saya berpuas hati dan gembira.)</p>	1	2	3	4	5
<p>3. I am satisfied with the technology enhancement which makes the co-branded credit card payment on time.</p> <p>(Saya berpuas hati dengan peningkatan teknologi yang membuat pembayaran</p>					

kad kredit jenama bersama pada masa yang tepat.)	1	2	3	4	5
4. The efficiency of customer service in solving customer's problem regarding to the co-branded credit card really make me happy. (Kecekapan perkhidmatan pelanggan dalam menyelesaikan masalah pelanggan berkaitan dengan kad kredit jenama bersama benar-benar membuat saya gembira.)	1	2	3	4	5
5. A customer satisfaction in service quality offered by issuing bank and service provider will determine a positive word of mouth. (Kepuasan pelanggan dalam kualiti perkhidmatan yang ditawarkan oleh bank pengeluar dan pembekal perkhidmatan akan menentukan hebahan orang.)	1	2	3	4	5

Part 4:

Customer Satisfaction

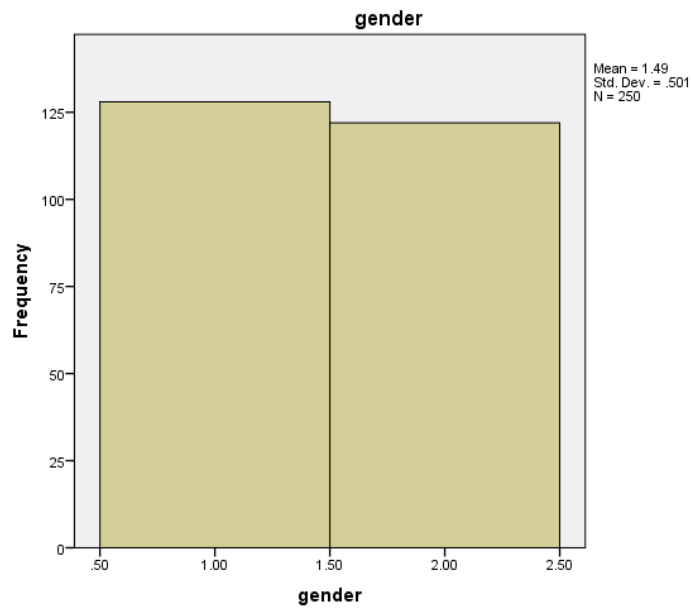
Statement	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
1. I prefer to use co-branded credit card compared to other electronic card such as credit card and debit card. (Saya lebih suka menggunakan kad kredit jenama bersama berbanding kad elektronik yang lain seperti kad kredit dan kad debit.)	1	2	3	4	5

<p>2. Co-branded credit card is necessary in my daily purchase.</p> <p>(Kad kredit jenama bersama amat penting dalam pembelian harian saya.)</p>	1	2	3	4	5
<p>3. If I am not a credit card user, I am interested to apply for a co-branded credit card.</p> <p>(Jika saya bukan seorang pengguna kad kredit, saya berminat untuk memohon kad kredit jenama bersama.)</p>	1	2	3	4	5
<p>4. I am satisfied with the co-branded credit card that I have at the moment.</p> <p>(Saya berpuas hati dengan kad kredit jenama bersama yang saya ada pada masa ini.)</p>	1	2	3	4	5
<p>5. I will recommend the co-branded credit card to my friends and relatives.</p> <p>(Saya akan mengesyorkan kad kredit jenama bersama kepada rakan-rakan dan saudara-mara saya.)</p>	1	2	3	4	5

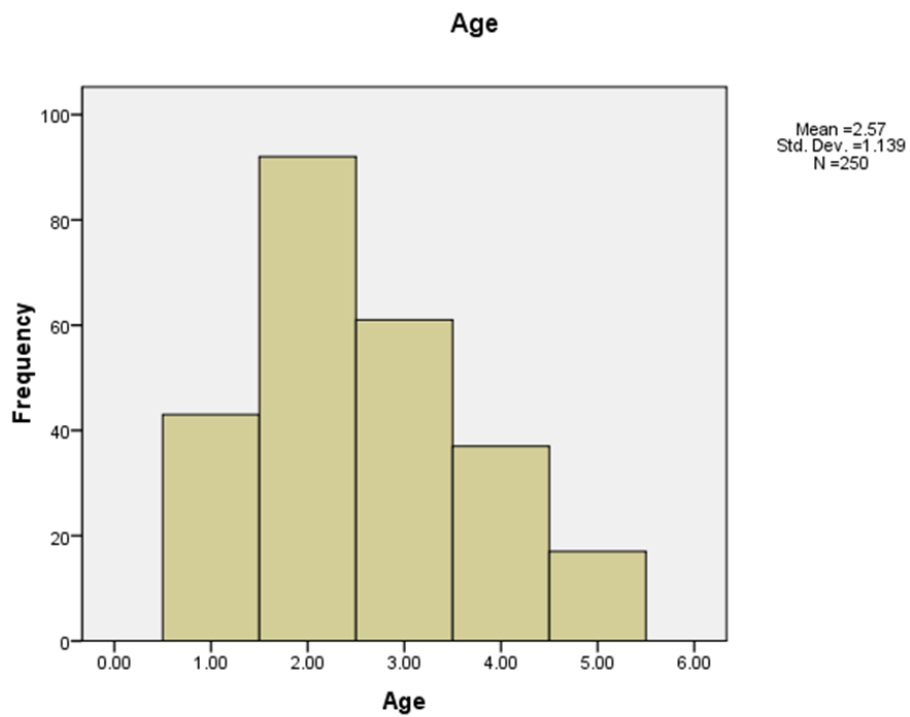
Overall Feedback

Please state your feedback on this survey. (Optional)

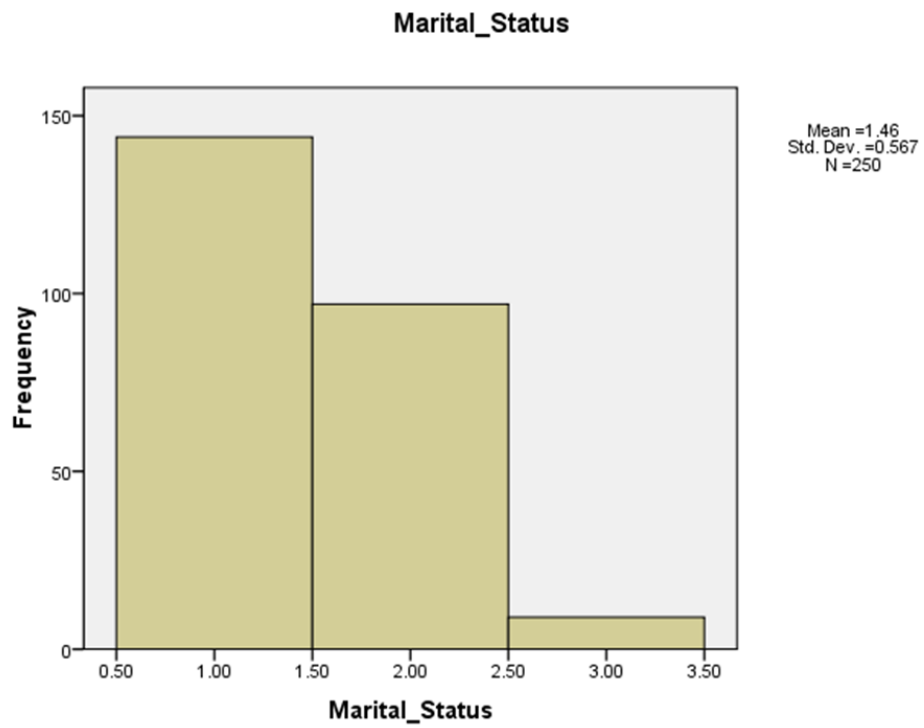
Graph 4.1: Statistics of Respondents' Gender



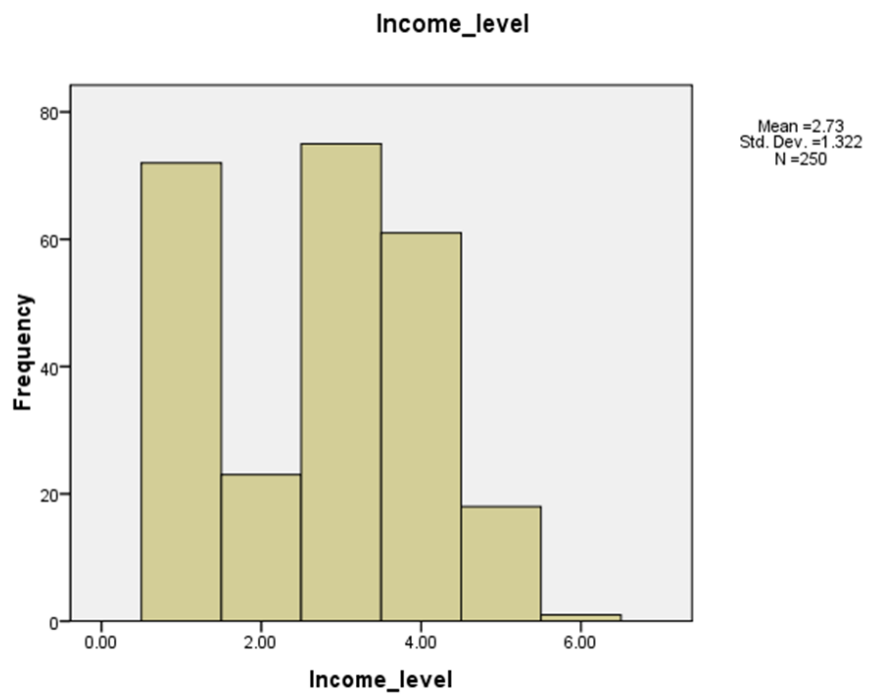
Graph 4.2: Statistics of Respondents' Age



Graph 4.3: Statistics of Respondents' Marital Status



Graph 4.4: Statistics of Respondents' Income Level



Graph 4.5: Statistics of Respondents' Occupation

