

CUSTOMER SATISFACTION LEVEL TOWARDS
SERVICE QUALITY IN CREDIT CARDS: IN THE
URBAN AREA OF MALAYSIA

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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.
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DEDICATION

First of all, we would like to dedicate this research paper to our beloved supervisor, Puan Noor Azizah binti Shaari, as appreciation of her sincerely guidance and useful suggestions to enable our team to complete this research.

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TABLE OF CONTENTS

	Page
Title.....	i
Copyright Page.....	ii
Declaration.....	iii
Acknowledgement	iv
Dedication	v
Table of Contents	vi
List of Tables.....	xii
List of Figures.....	xiv
List of Abbreviations.....	xv
List of Appendices.....	xvi
Preface	xvii
Abstract	xviii
CHAPTER 1 RESEARCH	
OVERVIEW.....	1
1.0 Introduction.....	1
1.1 Research Background.....	2
1.1.1 Development of credit card globally.....	3
1.1.2 Development of credit cards in Malaysia.....	5
1.1.3 Barriers of credits card	8
1.2 Problem Statement.....	9

1.3 Research	
Objective.....	11
1.3.1 General Objective.....	12
1.3.2 Specific Objective.....	12
1.4 Research Question.....	12
1.4.1 General Research Question.....	12
1.4.2 Specific Research Question.....	13
1.5 Hypothesis of the study.....	13
1.5.1 Customer satisfaction with tangibles of service quality	13
1.5.2 Customer satisfaction with empathy of service quality	14
1.5.3 Customer satisfaction with reliability of service quality	14
1.5.4 Customer satisfaction with responsiveness of service quality.	14
1.5.5 Customer satisfaction with assurance of service quality.....	15
1.6 Significant of Study.....	15
1.6.1 Credit Card Issuer (Bank).....	16
1.6.2 Researcher.....	16
1.6.3 Managerial Aspect.....	16
1.7 Chapter Layout.....	16
1.7.1 Chapter 1.....	17
1.7.2 Chapter 2.....	17
1.7.3 Chapter 3.....	17
1.7.4 Chapter 4.....	17
1.7.5 Chapter 5.....	18

1.8 Conclusion.....	18
CHAPTER 2 LITERATURE REVIEW.....	19
2.0 Introduction.....	19
2.1 Review of Literature.....	19
2.1.1 Dependent Variable.....	19
2.1.1.1 Customer Satisfaction	20
2.1.2 Independent Variables	22
2.1.2.1 Service Quality	22
2.1.2.1.1 Tangibles	24
2.1.2.1.2 Empathy.....	25
2.1.2.1.3 Reliability.....	26
2.1.2.1.4 Responsiveness.....	27
2.1.2.1.5 Assurance.....	28
2.2 Review of Theoretical Model.....	30
2.2.1 SERVQUAL Model.....	30
2.3 Proposed Theoretical Framework.....	31
2.4 Hypothesis Development.....	33
2.4.1 Service Quality.....	33
2.4.1.1 Tangibles.....	34
2.4.1.2 Empathy.....	35
2.4.1.3 Reliability.....	35
2.4.1.4 Responsiveness.....	36
2.4.1.5 Assurance	37
2.5 Conclusion.....	38

CHAPTER 3 RESEARCH METHODOLOGY.....	39
3.0 Introduction.....	39
3.1 Research Design.....	39
3.1.1 Quantitative Research.....	39
3.1.2 Descriptive Analysis.....	40
3.2 Data Collection Method.....	40
3.2.1 Primary Data.....	40
3.3 Sampling Design.....	41
3.3.1 Target Population.....	41
3.3.2 Sample size.....	42
3.3.3 Sampling Technique.....	43
3.4 Research Instrument.....	43
3.4.1 Nominal Scale.....	44
3.4.2 Ratio Scale	44
3.4.3 Likert Scale.....	45
3.5 Data Processing.....	45
3.5.1 Data Collection.....	45
3.5.2 Data Sorting.....	46
3.5.3 Data Checking.....	46
3.5.4 Data Coding.....	45
3.6 Data Analysis.....	47
3.6.1 Pearson Correlation Coefficient Analysis.....	47
3.6.2 Pilot Test.....	48
3.6.3 Reliability Test.....	49
3.6.4.1 T-test.....	50
3.6.4 Multiple Linear Regression Analysis.....	50

3.7 Conclusion.....	51
CHAPTER 4 DATA ANALYSIS.....	52
4.0 Introduction.....	52
4.1 Descriptive Analysis.....	52
4.1.1 Respondent Demographic Profile.....	52
4.1.1.1 Gender.....	52
4.1.1.2 Age.....	54
4.1.1.3 Marital Status.....	55
4.1.1.4 Race.....	57
4.1.1.5 State	58
4.1.1.6 Education Level.....	60
4.1.1.7 Income Level.....	61
4.1.1.8 Occupation.....	63
4.1.2 Central Tendencies Measurement of Constructs.....	64
4.1.2.1 Customer Satisfaction.....	65
4.1.2.2 Tangibles.....	66
4.1.2.3 Empathy.....	67
4.1.2.4 Reliability.....	68
4.1.2.5 Responsiveness.....	69
4.1.2.6 Assurance.....	70
4.2 Pilot Test	71
4.3 Cronbach's Alpha Reliability Tes.....	72
4.3.1 Reliability Test.....	72
4.4 Pearson Correlation Analysis.....	73
4.5 Multiple Regression Analysis.....	76
4.6 Conclusion.....	80

CHAPTER 5 DISCUSSION, CONCLUSION AND IMPLICATION.....	81
5.0 Introduction.....	81
5.1 Summary of Statistical Analysis.....	81
5.1.1 Summary Descriptive Analysis.....	82
5.1.2 Summary of Inferential Analysis.....	82
5.1.2.1 Summary of Reliability Test.....	83
5.1.2.2 Pearson Correlation Analysis.....	83
5.1.2.3 Multiple Regression Analysis.....	84
5.2 Discussion of Major Findings.....	85
5.2.1 Relationship between tangible and customer satisfaction.....	85
5.2.2 Relationship between empathy and customer satisfaction	86
5.2.3 Relationship between reliability and customer satisfaction	86
5.2.4 Relationship between responsiveness and customer satisfaction	87
5.2.5 Relationship between assurance and customer satisfactio.....	87
5.3 Implications of the study.....	88
5.3.1 Managerial Implication.....	88
5.4 Limitations of the study.....	90
5.5 Recommendation for Future Research.....	92
5.6 Conclusion.....	93
References.....	95
Appendices.....	105

LIST OF TABLES

	Pages
Table 2.1 22-item Service Quality scale	32
Table 3.1 Sources of Independent Variable	41
Table 3.2 Descriptive Analysis Table	43
Table 3.3 Rule of Thumb (Pearson Correlation Coefficient)	47
Table 3.4 Reliability Statistics	48
Table 3.5 Ranges of Cronbach alpha	49
Table 4.1 Statistics of Respondent's Gender	52
Table 4.2 Statistics of Respondent's Age	54
Table 4.3 Statistics of Respondent's Marital Status	55
Table 4.4 Statistics of Respondent's Race	57
Table 4.5 Statistics of Respondent's States	58
Table 4.6 Statistics of Respondent's Education Level	60
Table 4.7 Statistics of Respondent's Income Level	61
Table 4.8 Statistics of Respondent's Occupation	63
Table 4.9 Descriptive Statistics of Customer Satisfaction	65
Table 4.10 Descriptive Statistics of Tangibles	66
Table 4.11 Descriptive Statistics of Empathy	67
Table 4.12 Descriptive Statistics of Reliability	68
Table 4.13 Descriptive Statistics of Responsiveness	69
Table 4.14 Descriptive Statistics of Assurance	70
Table 4.15 Pilot Test	71
Table 4.16 Rules of Thumb about Cronbach Alpha's coefficient sizes	72

Table 4.17	Reliability Test	73
Table 4.18	Rule of thumb	73
Table 4.19	Correlations	74
Table 4.20	Model Summary	76
Table 4.21	ANOVA	76
Table 4.22	Coefficient	77
Table 4.23	Hypothesis Result	78
Table 5.1	Summary of Reliability Test	83
Table 5.2	Pearson Correlation Analysis	83
Table 5.3	Multiple Regression Analysis 1	84
Table 5.4	Multiple Regression Analysis 2	85
Table 5.5	Significant Table	85

LIST OF FIGURE

	Pages
Figure 1.1 Credit card Issuers in Malaysia	6
Figure 1.2 Credit Card Users at October 2017 in Malaysia	6
Figure 1.3 Type of Credit Card User	7
Figure 1.4 Chance to Approve by Bank	7
Figure 1.5 Average of current balance / Credit card (RM)	10
Figure 2.1 Service Quality Model	30
Figure 3.1 Sample Size Formula	42
Figure 4.1 Statistic for Respondent's Gender	53
Figure 4.2 Statistic for Respondent's Age	55
Figure 4.3 Statistic for Respondent's Marital Status	56
Figure 4.4 Statistic for Respondent's Race	57
Figure 4.5 Statistic for Respondent's States	59
Figure 4.6 Statistic for Respondent's Education Level	60
Figure 4.7 Statistic for Respondent's Income Level	62
Figure 4.8 Statistic for Respondent's Occupation	64

LIST OF ABBREVIATIONS

CS	Customer Satisfaction
TGB	Tangible
EPT	Empathy
RLB	Reliability
RPS	Responsiveness
ASR	Assurance

LIST OF APPENDIX

	Pages
Appendix 1.0 Permission Letter of Survey Question Distribution	105
Appendix 2.0 Volume and Payment of Transaction of Credit Card	106
Appendix 3.0 Number of Cards and Users of Credit Cards	106

PREFACE

This research project is submitted as a fulfilment of the requirement for the pursuit of the Undergraduate of Bachelor of Finance (Hons). This research took 28 weeks to accomplish. The topic of this research is “The Customer Satisfaction Level towards Service Quality of Credit Card: Study in Urban Area of Malaysia”. The five independent variables used in this research project are tangible, empathy, reliability, responsiveness and assurance. While the dependent variable for this study is the level of customer satisfaction in urban area of Malaysia.

Credit card has been an essential instrument for the consumer ever since it was first introduced to the world. In Malaysia, more and more people who have become an adult, owns a credit card because it provides a lot of benefit to the user. Hence, the main objective of this research is to examine the level of satisfaction of customer regarding credit card in urban areas of Malaysia.

We hope that this research may provide better understanding for the readers about the connection between the independent variables and the level of customer satisfaction in urban area of Malaysia in order to help them make a better decision.

ABSTRACT

The purpose of this study is to investigate the customer's satisfaction level regarding to the credit card in urban areas of Malaysia. Besides, this study also determines whether independent variables such as tangible, empathy, reliability, responsiveness and assurance negatively or positively affect the customer satisfaction and whether the model significantly explains the changes in customer satisfaction.

This research is conducted by distributing questionnaires to respondents from 3 urban areas which are Selangor, Johor and Sabah. After that, survey form will be collected and convert into data form and process by using Microsoft Excel and Statistical Package for Social Science (SPSS) to obtain the useful result. Data will be analysed in term of reliability test, descriptive analysis, Pearson Correlation and so on.

At the end, tangible, reliability, responsiveness and assurance can be concluded to have a positive relationship with customer satisfaction. While empathy have a negative relationship with customer satisfaction.

CHAPTER 1: RESEARCH OVERVIEW

1.0 Introduction

According to business dictionary, the satisfaction of the customer is usually known as the amount of satisfaction that is provided by the goods or services of a financial company that is measured by the number of repetitive customers. Nowadays, majority of the people who have become an adult owns a credit card because owning a credit card can give them a lot of benefit. There are a few factors that will affect the customer's satisfaction level regarding to the credit card. These factors include tangibles, empathy, reliability, responsiveness and assurance of service quality.

In this research, it is important to study the customer's satisfaction level regarding to the credit card. Therefore, the main scope for this study is to inquire in to customer's satisfaction, regarding to the credit card in urban area of Malaysia, which is Selangor, Johor and Sabah. Section 1.1 will be exploring the research background so that it can be used as a fundamental knowledge framework to proceed with this study. In section 1.2 this study will be identifying and also explaining the research problem that is present in this study. Next in section 1.3, the research objectives are made so that there will be an objective that this study will be aiming for. After that, section 1.4 will be pointing out the questions that are needed to be answered in this study. Furthermore, section 1.5 will be showing the hypotheses between the chosen dependent and independent variable. Next, section 1.6 will explain about the importance and possible uses for this study of this research. Later, section 1.7 will outline the design for each following chapters for the report of our research. Finally, section 1.8 will summarize of the general view of research.

1.1 Research background

Credit card is a plastic card that is issued by a financial company to give the holder to borrow funds at the point of sale. Credit cards are normally used for short-term financing and it will charge interest. The interest of the credit card usually will start after one month of the purchased item and the limits for borrowing the fund are pre-set according to the holder's credit rating. According to Deviranjitham and Thamilarasan (2014), the credit card is an important modern day function where it is rendered by commercial banks to extend credit card facility to the customers. This facility can be use by customer that resides in both urban and rural areas.

Dhanda and Bala (2016) said that due to majority of the transactions are using plastic card, it have earned the acknowledgement all over the world due to the accessibility, trustworthiness and versatility. Dhanda and Bala (2016) also said that for a bank to survive in the present's competitive banking environment, the bank must give the highest service quality to the customers. Since the value of the customer for their service quality will be influenced by some of the minor component like the profession behavior of the staff in the bank.

Selvakumar (2015) stated that the five dimensions of service quality will affect the satisfaction of the customer and improving the elements of service quality is considered as one of the effective way to give the customer more satisfaction. It is believed that customer satisfaction in the current marketing era is connected with understanding consumer behavior. There are also some factors which will help a customer to choose a good and services and it will also be responsible for the post purchase behavior of the customer. Tan and Maran (2015) says that a bank can stand out from their competitors by providing a quality service. If the banks are unable to do that, the customers will not hold or purchase their goods or services. If the expected service quality of a bank is of good quality, the customer will most

likely become loyal to the bank to get their service and it will make the customer to feel secure for their goods and services.

1.1.1 Development of credit card globally

According to Deviranjitham and Thamilarasan (2014), it stated that the current trend for credit card in India is describe as “flood” as many of the Indian bank started to offer credit cards that suitable for potential customer. There have strong advertising and very competitive rewards programme for their loyal customers. The four components that banks earn money from credit cards are annual fee, interchange charge, revolving fees and others. In India, the market for credit card is growing rapidly approximately 30%-40% each year. Besides, according to the Indian express 2014, they assume that the growing rate will be increase to 40% to 45% annually.

According to Tsosie and NerdWallet (2017), it stated there will be four new trends of credit cards in the year of 2017. The first trend is more bread and butter rewards, according to David Robertson which is the publish for Nelson Report stated that they will focus more on cash back offers on things we used daily, for example, groceries instead of free hotels stay and air-flight ticket which is a trend in the past. They will focus more on middle class people as upper class man not really need the little bit of rewards. The second trend is higher interest rates will be implemented, as projection by Fed recommend that the interest rates could be increase by three quarters of the percentage point this year and in other word, it means credit cards will be more expensive for the people who never pay off all the spending in that particular month. Besides, the third trend is that there will be a growing subprime market. According to credit bureau TransUnion, in the year of 2016, there is highest percentage of credit card accounts is holding by consumers with subprime credits since 2010, but this does not recommend to those days’ easy credit. According to Paul Siegfried, which is the senior vice president of financial

services at TransUnion said that the credit card issuers are very hardworking on risk management and how much credit they offered on account basis. Last but not least, the fourth trend is smoother transaction, from First Annapolis Consulting, about 75% of people who owned a smart device for example, smartphone, tablets and laptops and use mobile device to make at least one purchase or others payments in the past 12 months. Mobile banking and transaction is a big trend in this few years and people should avoid of this convenient technology and set a spending limits, as most of the people will overspent by clicking only one icon. Moreover, issuers are now giving cardholders more choices to make purchases and redeem rewards through apps and merchants online.

Credit cards have turned into a main instrument for financing purchases and carrying out in the United State. The payment mechanism that consumers use to buy services and merchandise has changed drastically over the most recent 100 years. Originally, all the transaction of the purchaser were in real money or using cash while business payments were in check or cash (Sienkiewicz, 2001).

Proprietary credit cards went ahead the scene in the early 1900s, trailed by "travel and entertainment" cards in 1950. For instance, in the early 1920s, oil companies will issue "courtesy" cards made of paper to car owners every three to six months and these cards did not have a revolving credit feature. However, in 1966s, the first general purpose credit cards was introduced. In a generally brief period, credit cards have turned out to be many consumers favored methods of payment for entertainment, travel, bill payment and retail purchases. In 1970, there are only 16 percent of households using credits card, yet by 1995, roughly 65 percent of households has at least one credit card. And now, credit cards are currently acknowledged at more than 4 million areas in the United States and more than 14 million areas around the world. As indicated to the most recently accessible figures, consumers utilized their credit cards to buy over \$1 trillion of merchandise and services in 1999 (Sienkiewicz, 2001).

Other than that, the history of credit cards actually began route back in the eighteenth century in Europe and in 1920's, it has been around the United States

as an individual firms., for example, oil companies, hotels and department stores started issuing them to their clients. The main notice was placed in 1730, by a furniture merchant who named Christopher Thompsom, offered furniture that could be paid off week after week. This presented individuals who couldn't stand to purchase truly costly things could make normal installments or portions until the full cost of the things were paid (Jusoh & Lin, 2012).

1.1.2 Development of credit cards in Malaysia

Nowadays, credit cards have turned into an unavoidable truth for most purchasers and are a part of the consumer culture. According to the statistic by Bank Negara Malaysia (n.d.), there are a total number of 26 credit card issuers in Malaysia and 24 of the issuers are bankers and 2 of them are non-bankers. Other than that, there are approximately total of 32 million of population in Malaysia and approximately 9.766 million of them are using credit cards at October 2017. However, in the total of 9.766 million of credit card users, there are around 8.719 million of them are the principal card users while around 1.047 million of them are the supplementary users. Furthermore, from year 2006 to year 2017 October, there are total numbers of 43.353 million of applicant applied for the credit card while there is only 20.515 million of applicant was approved. It also found that an applicant has only 47.32% of chances would be approved by the banks. Moreover, there are total of 3.675 million volume of credit cards user used their credit cards during the transaction.

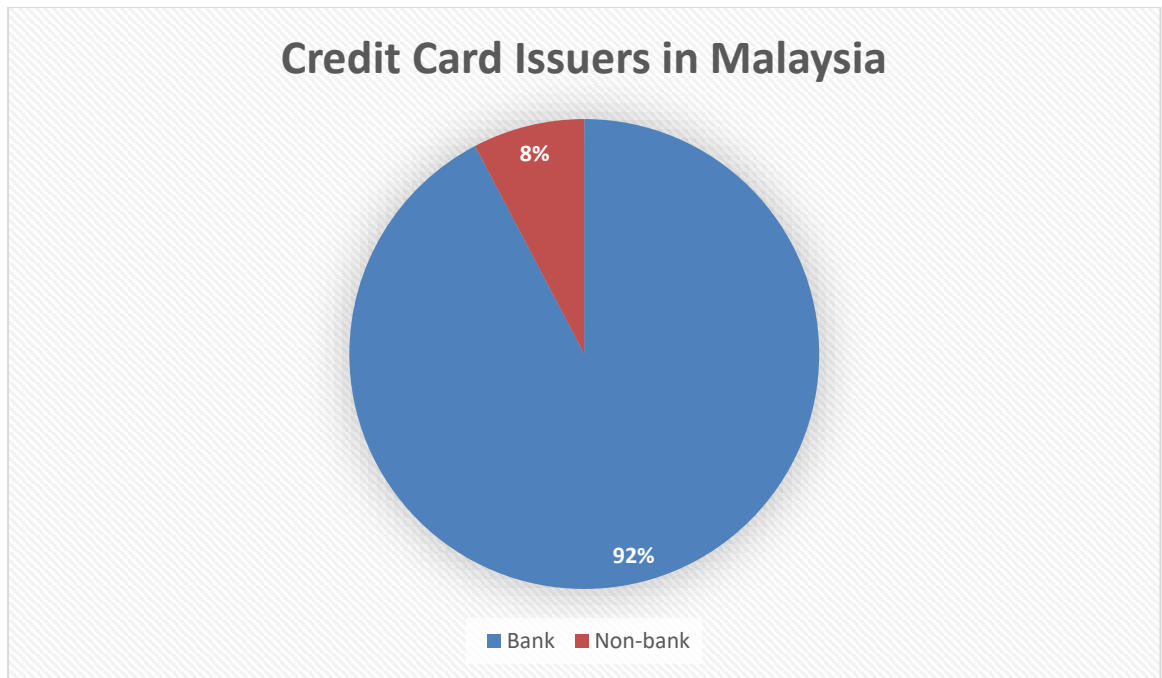


Figure 1.1: Credit card issuers in Malaysia.

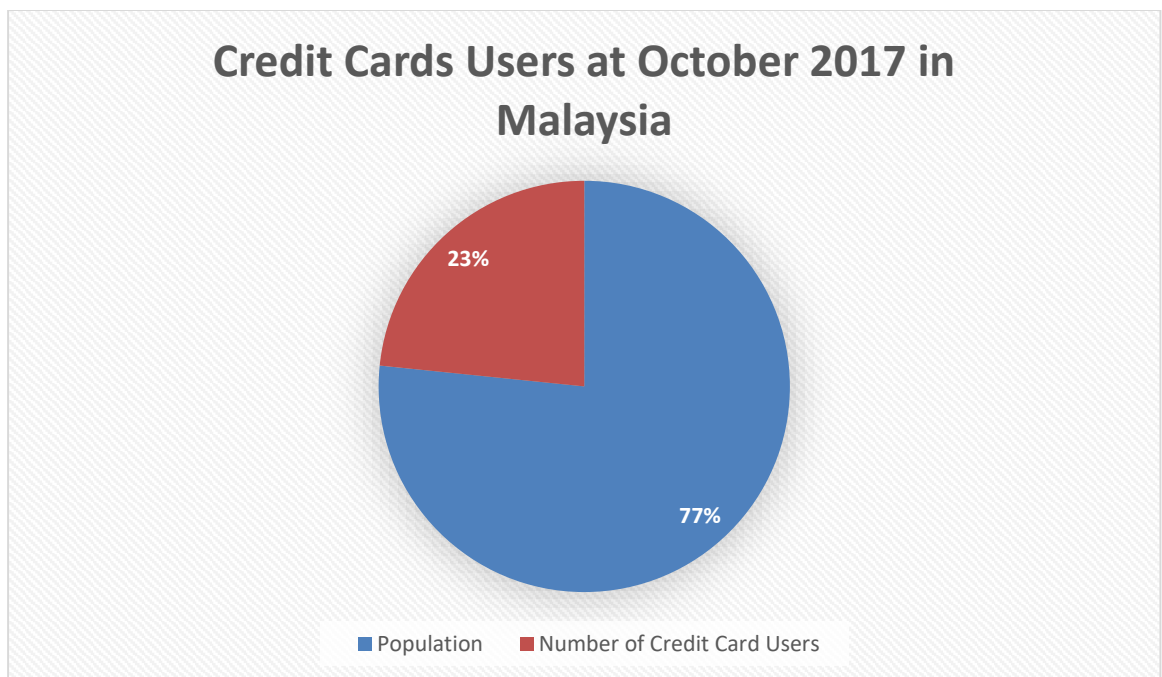


Figure 1.2: Credit card users at October 2017 in Malaysia.

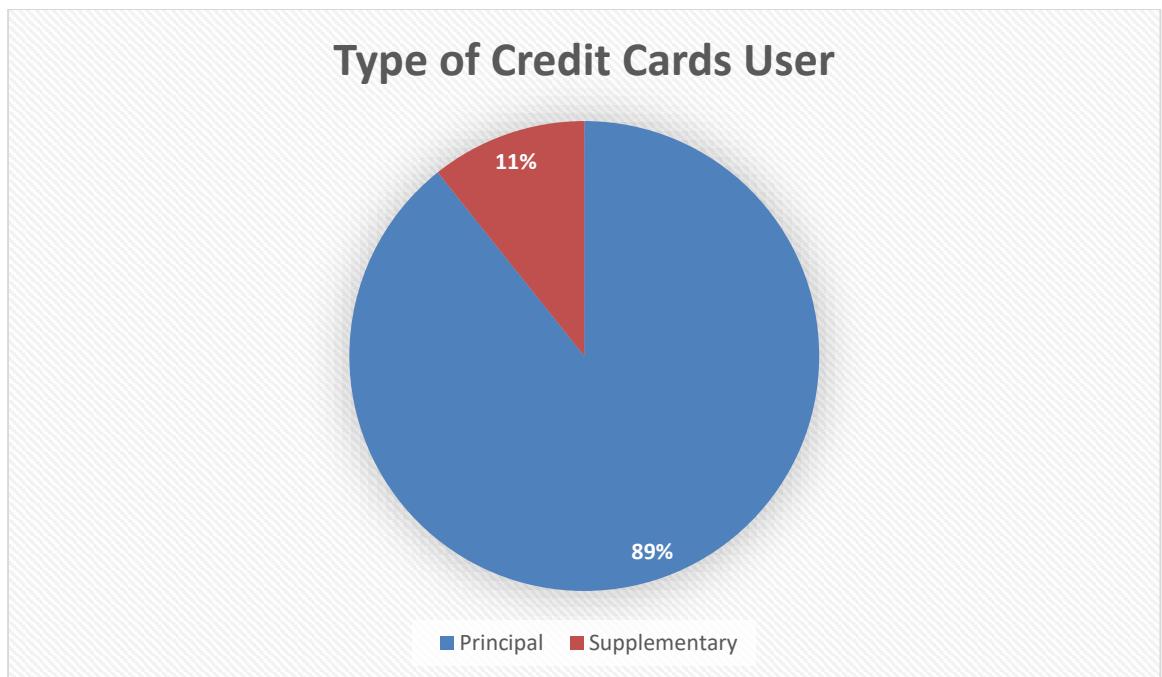


Figure 1.3: Type of credit card user.

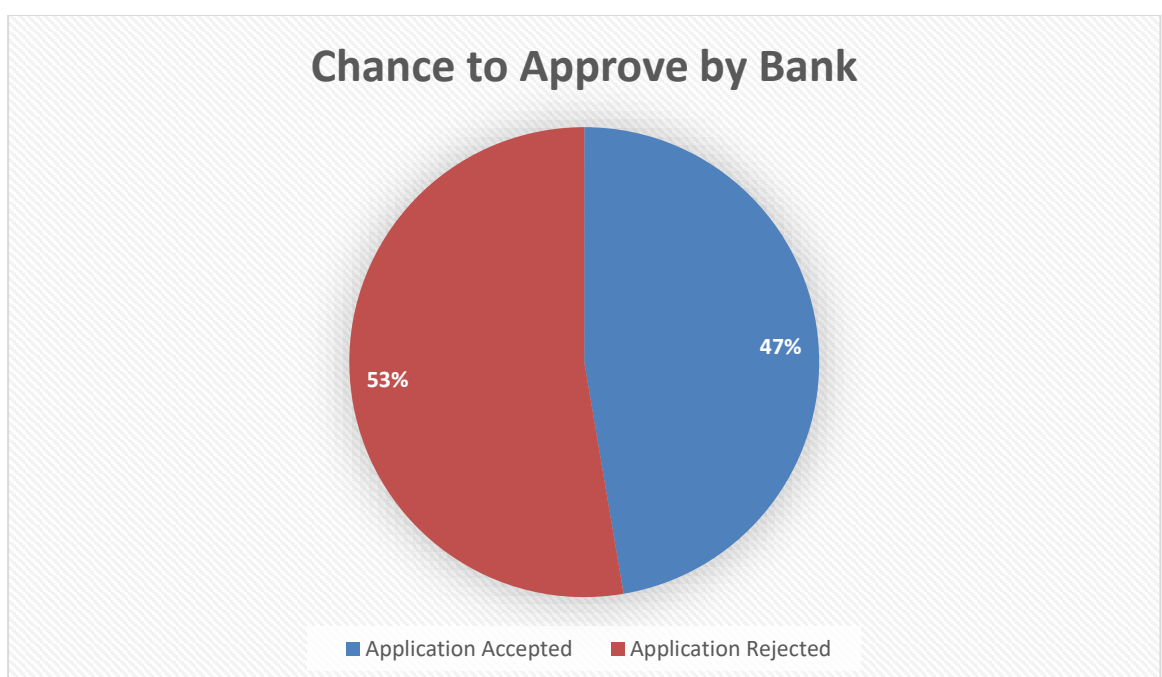


Figure 1.4: Chance to approve by bank.

The report Market Conduct and Enhancing Financial Capability (2007), states that credit cards are progressively popular in Malaysia with the aggregate of 10.8 million credit cards toward the end of 2008. It is a significant enormous number since credit cards have turned out to be extremely basic these days and are an indispensable piece of our lives. Other than that, there is not only the increasing of

the amount of people holding cards, but the total number of credit cards supply increased as well as industry specific cards, for example, retail outlets and gas stations (Jusoh & Lin, 2012).

1.1.3 Barriers of credits card

The first issue for the customer is credit card or debit card better? According to Zinman (2004), Visa or MasterCard logo is a trademark for credit card, but nowadays, most debits cards are bear with the Visa or MasterCard logo. Therefore, credit card and debit card are very similar to each other for example, security also similar, they both offer comparable fraud protection, similar risk and similar time cost. From the consumer's view, they are exactly the same especially the way to carry transaction, a point-of-sale terminal and even a signature-based transaction. Although they are almost the same, but there are still a little bit different apply on them. The issue that people focus on is the pecuniary difference. It is very important to take note on the payment choices at the point is the objective, so that the consumer can disregard the fixed cost of them.

The first of their difference is debit card usually involve in subtracting funds from a non-interest bearing account, in other words, consumer will not pay any interest by using the funds, and it is said to have zero opportunity cost according to the economists. For credit card, the implicit cost of using it is not zero; it is because credit card is using "future money", if consumer did not pay off the debts, consumer will suffer from high interest charging. The second difference between them is economic costs and benefits are liquidity. In debit card, the transaction can impose huge and direct cost when the accounts have insufficient balance and will cause checking account overdraft. The cost of overdraft is high. The last difference is consumer found that credit card is always much more attractive than debit card because credit card has a lot of reward programs such as cash back that will increase the consumer's marginal benefit of using credit.

In this research, the study will investigate on the level of customer satisfaction regarding the credit card in Malaysia. Purpose of this research is to identify the core measurement of service quality that will cause a significant impact on the overall customer satisfaction regarding the credit card.

1.2 Problem Statement

According to Ismail, (2014), in year 2012 January the Central Bank of Malaysia had forced a new rules for the credit card usage. This new rules are used to control the person who have the income is lower than RM 36,000 or at RM 36,000 with holding the credit card debt and it has some credit limit which is the cardholder cannot over the double monthly income. The rules were forced because the problems of credit card debt keep increasing in this past year. Moreover, according to Azman, Shari, Gazali, Abdullah, and Khalil, (2015), they found that most of the household have a problem in credit card debt and there were 50,361 cases involved to learn the debt management program which mention in the Credit Counselling and Debt Management Agency (AKPK). There have about 10.6% of the households are not willing to pay the debt on the credit card. Credit card is very convenient for the consumer; this is because helping you pay first and it do not reduce money on the consumer bank balance. After the end of the month, the consumer only need to pay back the debt that use and it will have some interest charges base on the purchasing. This will create the problem that at the end of month they are not willing to pay back the credit card debt. Besides, it will have problem when the consumers do not pay back the payment. The debt will keep accumulating when they use the credit card and keep on charge for their credit card until the limit of credit card. At last, there debts keep increasing and the not able to pay back the fund (Rahim, Alam, Khan, & Haq, 2014). According to Editorial (2012), there are 28.6 million people in Malaysia within this 28.6 million of people there having 3.48 million people who own the credit card. There have an

increasing in the balance of the credit card from year 2005 until 2011 as the table below.

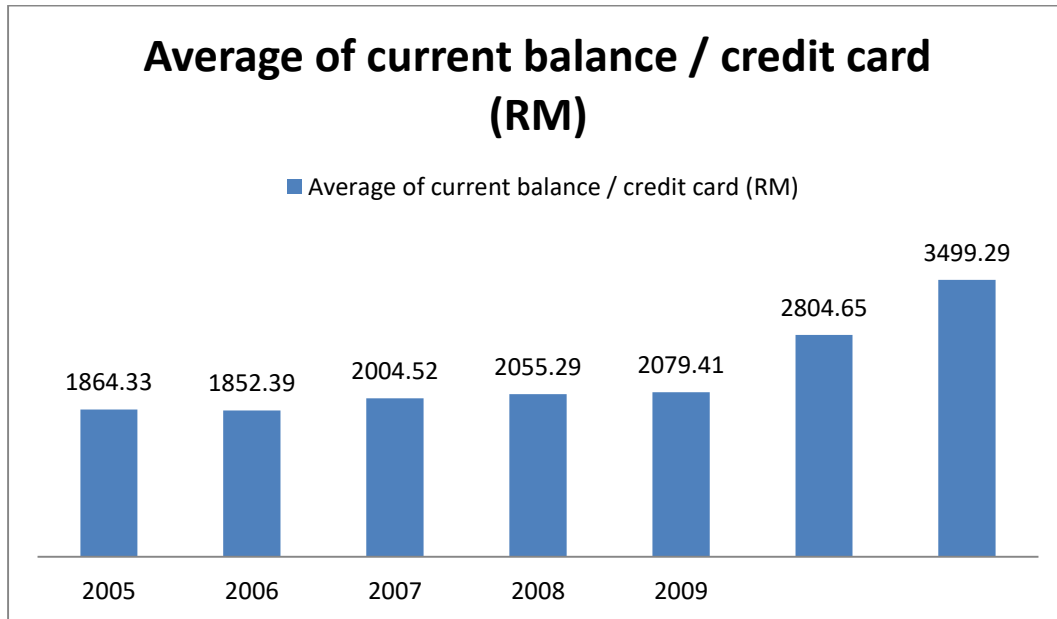


Figure 1.5: Average of current balance / Credit card (RM)

Dr. Kumar (2013) says that the problem that the consumers are facing is with the interest rates and delayed billings on the good and services which will lead to overspending on the goods and services if they are not careful with their credit card. While Deviranjitham and Thamilarasan (2014) found that the credit card holders have almost the same problem which is the lack of proper advice from banks which made a lot of people to fear to fall into a debt trap. These shows that credit card will cause a lot of problem like causing the consumer to overspend and went bankrupt. When the other consumers with little knowledge about credit cards, they will not possess a credit card because of their fear of falling into a huge debt which will cause the credit card market to have no growth or even make it decline.

In our research we are choosing urban area is because according to Tan and Marimuthu (2014) they had suggested to concentrate on all types of banks which including foreign banks. Besides, Munusamy, Chelliah and Hor (2010) also had a recommendation on doing research on a wider geographical area or city could to enhance the generalization of the findings and to further investigate potential differences in customer satisfaction between those areas. So in our research we

had chosen urban area in Malaysia (Selangor, Johor and Sabah). For instance, a person who lives in a remote place may have a different expectation and perception towards customer services offered by banks, and having different level of satisfaction, owing to the different culture, level of education and some other demographic factors. According to Osman and Ilham (2013), in their study they only chose rural tourist in Klang Valley areas as respondents, their study is lacking in discussions on the geographical factors, as a mediating variable. So they had suggested future research on different urban area in Malaysia.

According to Zareapoor and Shamsolmoali (2015), nowadays credit card fraud cases keep on increasing. The modern technology is one of the reasons that influence the fraud case on credit card increase. Besides, superhighways of the communication in global also one of the causes that affect credit card fraud case increase. Credit card fraud cost around billions of dollars from consumers and the financial organization every year and the fraudsters incessantly seek for the new rules and strategy to attack illegal actions. For bank and financial institution, there is a system that used to detect fraud and it had become critical because the fraud detection system can help bank and financial institution to reduce their losses to the smallest. However, many customer of bank had lost their trust to bank because of this issue. The most effective techniques when assessing independently are password protection, bank reconciliation and internal control review (Rahman and Anwar 2014).

In short, according to Goh, Kow, Lee, Low and Sam (2013) public sector banks are confronted with higher competition, whereas banks want to gain customer loyalty, commitment, and trust by offering their customer for better quality services. Service quality is important and it has become one of a rival tactic used in the banking sector, therefore it is vital to probe into service quality and its effect to improve customer satisfaction.

1.3 Research Objective

1.3.1 General Objective

The research objective is to examine the customer satisfaction level regarding to the credit card in urban areas of Malaysia. The research is to contribute for bankers, customers, government and researchers.

1.3.2 Specific Objectives

- i. To examine the significant relationship between customer satisfaction level and tangibles of service quality.
- ii. To examine the significant relationship between customer satisfaction level and empathy of service quality.
- iii. To examine the significant relationship between customer satisfaction level and reliability of service quality.
- iv. To examine the significant relationship between customer satisfaction level and responsiveness of service quality.
- v. To examine the significant relationship between customer satisfaction level and assurance of service quality.

1.4 Research question

1.4.1 General Research Question

How service quality will affect customer satisfaction level regarding to credit card?

1.4.2 Specific Research Question

- i. What is the significant relationship between the customer satisfaction level and tangibles of service quality?
- ii. What is the significant relationship between the customer satisfaction level and empathy of service quality?
- iii. What is the significant relationship between the customer satisfaction level and reliability of service quality?
- iv. What is the significant relationship between the customer satisfaction level and responsiveness of service quality?
- v. What is the significant relationship between the customer satisfaction level and assurance of service quality?

1.5 Hypothesis of the study

Independent variables which include tangibles, empathy, reliability, responsiveness and assurance are the variable that will affect customer satisfaction level regarding to credit card

These are the hypothesis of study:

1.5.1 Hypothesis I: Customer satisfaction with tangibles of service quality.

$H1_0$: There is a significant relationship between tangibles and customer satisfaction level.

$H1_1$: There is no significant relationship between tangibles and customer satisfaction level.

1.5.2 Hypothesis II: Customer satisfaction with empathy of service quality.

$H2_0$: There is a significant relationship between empathy and customer satisfaction level.

$H2_1$: There is no significant relationship between empathy and customer satisfaction level.

1.5.3 Hypothesis III: Customer satisfaction with reliability of service quality.

$H3_0$: There is a significant relationship between reliability and customer satisfaction level.

$H3_1$: There is no significant relationship between reliability and customer satisfaction level.

1.5.4 Hypothesis IV: Customer satisfaction with responsiveness of service quality.

$H4_0$: There is a significant relationship between responsiveness and customer satisfaction level.

$H4_1$: There is no significant relationship between responsiveness and customer satisfaction level.

1.5.5 Hypothesis V: Customer satisfaction with assurance of service quality.

$H5_0$: There is a significant relationship between assurance and customer satisfaction level.

$H5_1$: There is no significant relationship between assurance and customer satisfaction level.

1.6 Significance of the Study

The service quality plays a very important role to the Credit Cards' industry as service quality will affect the customer satisfaction. If the customer satisfaction increases then customer will prefer and demand more for Credit Card. Therefore, it is important to know the customer satisfaction and the elements of service quality by few parties which include the bank which issue credit card, researchers for future studies and managerial aspect. Therefore, this studies focus on the analysis of customer satisfaction, tangibles, reliability, responsiveness and assurance. This study is to gather this few variables in order to find out the relationship between them.

These researches are benefits to the following parties such as:

1.6.1 Credit Card Issuer (Bank)

This report can help credit card Issuer to determine whether which elements of server quality is most preferable by the customer. The credit card issuer can enhance the service quality in order to meet theirs customer satisfaction and so that it can build better customer loyalty and good reputation in order to increase the user of the credit card.

1.6.2 Researcher

This report can help researchers in their research. Researcher could use it as a reference to conduct further study regarding their area of interest in the future. Furthermore, it gives information and statistical data about the customer satisfaction level regarding to service quality on Credit card's product. Researchers can also further study this report if there are limitations in these studies, in order to improve the research.

1.6.3 Managerial Aspect

This study also provides the information for the management level staff for study and learning to increase customer satisfaction with service quality, as management level has responsibility to make sure the employees meet the requirement of service quality in order to increase customer satisfaction. As when customer satisfaction increase, the profit will also increase.

1.7 Chapter Layout

There are five chapters include in our research topic. Firstly was the introduction on topic idea, secondly was the past literature review had studied by difference author, thirdly, research methodology apply in our study, fourthly was the data

analysis on collected result, and lastly is our study discussion, conclusion and implication.

1.7.1 Chapter 1

Chapter 1 outlines the overview of the research. It comprises firstly, the introduction on the research background, secondly problem of the statement, thirdly research of the objectives, fourthly research of the questions, then hypothesis of variables and significance of the study.

1.7.2 Chapter 2

Chapter 2 comprises the review of literatures regarding the dependent variable and independent variables as well as the theory used to support the study. The proposed conceptual framework is formed based on previous theoretical frameworks. The hypotheses developed in previous chapters are also supported by previous study.

1.7.3 Chapter 3

Chapter 3 presents on the research methodology of our study topic. It explain how the research is designed, method for data collecting, sampling design, instrument for research, measurement construction, data processing and data analysis techniques.

1.7.4 Chapter 4

In chapter 4, it wills the analysis of data by difference tests. His chapter will show how the descriptive data are analyzed and interpreting the respondent demographic profile. For the demographic profile, descriptive analysis is used and the central tendencies measurement is carried out. Next, the result for each scale of measurement will be collected and reliability test is a must to run as it will shows the result of hypothesis testing. Lastly, inferential analysis will be conduct and interpret, so that data collected is conclude.

1.7.4 Chapter 5

Chapter 5 will summarize and discuss all the statistical analysis done on chapter 4. Other than that, this chapter will also study about the major finding, implication, limitations and recommendation of the study. Lastly, the overall conclusion of this study will be extract in the last part of this chapter.

1.8 Conclusion

The topic on level of customer satisfaction regarding credit card has been debated on numerous discussion. In order to solve the research question, several research objectives, questions, and hypotheses are formulated. Therefore, in this chapter, it shows the overview of studies for customer satisfaction and service quality. Chapter 1 also offers the basic guidelines which show the overall research background and details for the purpose of further research and development on this study. The subsequent findings of the research will be continued in Chapter 2.

CHAPTER 2: LITERATURE REVIEW

2.0 Introduction

This chapter will be discussing the literature review about level of satisfaction of customer regarding credit cards. The literature review will cover the relevant theory model, and the development of hypothesis. Besides that, hypotheses about the relationship between the level of satisfaction of customer (dependent variable) and the elements of service quality which includes assurance, empathy, reliability, responsiveness and tangibles (independent variable) are constructed for this study. The previous literatures studies related to our topic will also will further discussed. Furthermore, a proposed conceptual framework will be added in our study in this chapter and it will be tested in chapter three.

2.1 Review of Literature

The overall of this chapter is talking about how the customer satisfaction level affects the credit card in the top 3 largest population in Malaysia states. It also discuss about the theoretical model and framework, SERVQUAL model in this study. Yet, the customer satisfaction can be determined by the service quality with using the SERVQUAL model that carry along it 5 components which are tangibles, empathy, reliability, responsiveness and assurance.

2.1.1 Dependent Variable:

A dependent variable in a study is a variable that will depend on others factors, which is the independent variable. It is being tested in an experiment. The dependent variable for this research is customer satisfaction.

2.1.1.1 Customer Satisfaction

Customer satisfaction which mean as customer goal and need when a services is providing. Churchill and Surprenant defined that customer satisfaction is a key factor to know what to satisfy customers and what does customer need and want. Therefore, if the service provided does not meet the customer requirement, the result will likely to be dissatisfied. However, McGuire analyzed that the level of dissatisfaction or satisfaction is normally reflected from attitudes and perception from the service they received and this will influence their repurchase intention and sharing their purchasing experience to other customers (Li, 2013).

According to Morgan and McQuitty, consumers' satisfaction has been treated as a very essential constructs and one of the ultimate goals in developing a market. Based on Oliver and McQuitty, satisfaction can be determine as the fundamental in marketing because it is good predicting the consumer purchase behavior such as purchase intention, repurchase, switching behavior and brand choosing (Alasalam, 2014). Other than that, Jamal and Naser indicated that measuring customer satisfaction was the main impact in the development of customers' future expectation. Yet, hearing their customers' voice would protect the bank's customer base and safeguard their future profitability and sustainability (Abdullah, Som, Ibrahim & Sheriff, 2015)

As stated by Naveed and Kashif (2010), customer satisfaction is one of the basic parts of any organization's strategy since customer is a definitive wellspring of wage for the organizations. Concerning customer satisfaction from the last one and half decade, the bankers of banking industry pay focus towards its consumer satisfaction and this will resulting in the competition occur between banking industry with few banks who consider consumer satisfaction as the essential segment of their marketing strategy. Eventually, customers are profited attributable to tight rivalry (Radhwan, Shukor & Muhammad, 2014).

On the word of Zeithami, in order to success in long term business, customer satisfaction is the main factor. Tsoukatos and Rand studies that to secure or gain the market share, organizations need to beat contenders by offering high quality service or product to guarantee satisfaction of customers. Gerrard and Cunningham highlighted bank need to comprehend customer requirement and need in order to obtain satisfaction and loyalty from customer. Bowen and Chen mentioned that a little increment of satisfaction and loyalty can gain reliability and retention from customers. Based on Magesh, with better comprehension of customer perception, organizations can decide the action required to address customer's need. They can distinguish their own weakness and strengths and contrast with their rivals and chart out paths for future advance and change. With the studies by Muslim and Isa, customer satisfaction is the element between the customer and the supplier of services and products in banking industry. Along these lines, both services and products quality is normally noted as a basic essential for fulfilling and holding esteemed customers (Saghier & Nathan, 2013).

As said by Hokanson satisfaction refers to a short term attitude or a feeling that can change owing to different circumstances. It normally exists in the user's mind and different as observable behaviors like complain, product preferred or repurchase. Other than that, in a related study, John and Linda the services or products is likely to be classified as satisfactory or dissatisfactory when a consumer contrast a set of performance outcomes that are expectations (Murugiah & Akgam 2015).

The study conducted by Kotler, consumer satisfaction is the outcome of various both physical and psychological factors which connect with satisfaction behaviors. It can also define as authentic expression of the status of satisfaction contrast from individual to individual and service or product to service or product and is an evaluation of how services and products of an organization get together or surpass customer expectation (Thuy, 2017). Furthermore, Chavan and Ahmad (2013), Munari, Ielasi and Bajetta (2013) declared that consumer satisfaction is turning

into a steady objective of most banking market policy, a vital component that can consolidate a corporate status and the most basic viewpoint to bring the banking of corporate toward success (Belas & Gabcova, 2014).

2.1.2 Independent variable:

Independent variable that controlled in a study to test the effect of the dependent test. Independent variable does not depend on others.

2.1.2.1 Service Quality

Every company should have services quality and customer satisfaction for competitive strength and decisive in order to let the company to compare itself from competitors. (Nuradli, 2014) Thus, enterprises may focus more on service quality to maintain the most of customer's satisfaction. Nagabhushanamnd (n.d) said that behavioral outcome of customers correlated with quality. Besides Mwang (2014) services quality can be differentiate between services expectation and service performance as same as the customers make comparison on services quality which they wish to get and what they actually get.

Other than that, service quality is vital in banking industry because it may influence satisfaction. For instance, the increase of customer satisfaction achieved, the increase of mental image hence encourage customer to purchase more or repeated purchases. Loyal customer will be an ambassador to the bank and boost growth of business once they received a quality service. Furthermore, customer service acts as a base for business expansion because of the acute competition widespread in the banking industry. The existence of banking business is based on

a company's customer service (Mwangi, 2014). According to Nuradli (2014) stated two important concepts for banks are customer satisfaction and service quality to achieve high profit and to maximize profit. Besides, maximizing customer satisfaction through quality of customer service has defined as "the ultimate weapon". When the competitors are matched, those provide better customer's services will win (Nagabhushanam, n.d).

Apart from these, the service quality dimensions that will affect customer's satisfaction are known as priorities the most important qualification of customer satisfaction according to their credit card possession (Nuradli, 2014). Most of the time, service quality is hard to explain because services are intangibles and derive from performance and experience. Next, it is heterogeneous because of the performance varies and inseparable because the consumption and production of many services are attached (Nuradli, 2014).

There are three dimensions of service quality. The first are functional quality. It shows the way of the service is delivered and two-way flow that results between the customers and the service providers. Technical quality will be the next and it provides the outcome of the service act or other service customer receives in the service encounter. According to Bilika, Safari & Mansori (2016) said that technical and functional quality is preoccupied with psychological and behavioral aspects.

Parasoorman said that the different between received services and the client's required service by five dimensions can measure the quality of services. His proposed model shows that he got the intention to remove gaps which may cause in clients' dissatisfaction with received services (Sadeghdaghighi & Chegini, 2016). Besides, Saghier and Nathan (2013) stated that five dimensions can be explained as:

- Assurance - service providers are knowledgeable, courteous, and provide believe and confidence.

- Empathy- personal attention and caring to client.
- Reliability - service that performed dependably and precisely.
- Responsiveness-service that able to support their client and be ready to serve the customers.
- Tangibles- equipment, physical facilities and appearance of staff are adequate.

2.1.2.1.1 Tangibles

Tangible aspect of banking services plays an important role in satisfying all kind of customers in every bank. Thus, banking is fundamentally intangible in nature. With physical facilities, stereo-graphic facility, the dressing and physical look of employees, apparatus and management group, communication materials and so on, bankers had successfully convert it into tangible. By transforming theses tangible factors well, reaching successfully every customer, results high customer's satisfaction (Sureshbabu1, Devasenathipathi & Anand, 2014). Gunarathne (2014), tangible dimension is creating first hand impressions. For instance, bank required their customers to receive a unique positive and not to pretermite the first hand impression, all this action might make the customer come bank and support the bank.

Moreover, it can be define as relief in visibility of resources crucial for offer the service to customers. Customer satisfaction in banking sector might be affected by modern and fashionable appearance or sophisticated equipment. For example, the color and the design of the bank are unique. Besides, visually appealing or attractive ambience is also one of a factor. Felix (2017) said that a Positive Word of Mouth Communication is a communication between customer with others to get information about the services that offered by bank. For example, customer can have a conversation with friend, acquaintance or family member.

On the other hand, Lee, Wang and Cai (2015), the researcher Bitner (1992) had create the term “servicescape”. Bank can use servicescapes as a provider, it uses varying physical requirements in the surrounding and it can affect customer and employee doings. However, Bitner also define servicescape involves of various tangible components that will influence satisfaction level of customer. There were ambient prerequisite, such as the noise, temperature, lightning and smell of environment. Next will be spatial layout mean the environment arrangement. Such as how the furniture had been arranged. Functionality also one of the elements that can affect customer satisfaction, the arrangement of furnishing had to arrange according to the customer needs and the need of staff. For example, Sureshcharder et al. (2003); Wakefield and Blodgett (1996); Reimer and Kuehn (2005). Furthermore, Wakefield and Blodgett (1996) has classified the services cape into five categories which included:

- Furnishing and equipment arranging.
- Design and decoration.
- Environment comfortable such as seat or space of seat.
- Electronic equipment or visible displays, signs and symbols
- Cleanliness of carpet, floor, window, door and etc.

Tan and Marimuthu (2014) stated in the service of organization, customers always based on their evaluation of the services depend on the evidence that surrounds the service. The hypotheses test of the research paper ensures that tangibility and customer satisfaction are positively correlated. This is due to customer of bank always looking for tangible indications which are the indicators of the service quality. Besides, customers are agreeing to evaluate the premises of the banks or look of bank’s staff. Therefore, tangibility is the vital factor for customer satisfaction (Tan & Marimuthu 2014).

2.1.2.1.2 Empathy

Empathy can be characterized as the caring of a firm to their customer and give help to them in an individualized manner, referring to the capability to demonstrate interest and personal attention. Empathy includes sensitivity, accessibility and effort in understanding the needs of users. It's also an association of the access, communication and understanding the customer. Access can be identified as the approachability and the ease of contact to customer, communication is a way employee interact and communicate with their customers in a language or form they comprehend and pay individual attention to them. Employees try their best to know the customers and their certain needs.

According to Chun and Zheng (2006), there are five item scale in empathy which are paying customers individual and personal attention, giving a caring fashion when employees deal with customers, always think off how to provide customer's best benefit at heat and know what their customers need and bringing convenience of business hour by employees.

Pertaining to Brendan (2014), empathy identified as caring and individualized attention that organization provide to their customers. Due to the research did by Brendan (2014); he found that empathy is playing an important role for organization in developing countries which offer services. For instance, Bagherdezadeh stated that empathy in service quality has highest significant to customer satisfaction where assurance has lowest.

2.1.2.1.3 Reliability

Reliability is also known as the ability to carry out a service that is free from error or consistency of performance. According to Selvakumar (2015), dealing with whatever the problems that the customers have, carrying out the necessary services with the correct method, making their service to be error-free and on time are one of the few examples of reliability in the terms of service quality and it will

have a big impact on the customer satisfaction. Reliability can also be known as the level to which the service is provided to the expected and promised standards or what they feel that they have paid for (Tan & Maran, 2014). According to Vuong (2014), the staff should always be available to support the customers, especially when they have serious problems such as credit card fraud. Banks should improve their system to reduce the waiting time and add more staff to support the customers if necessary.

VanishreePabalkar et al (2016) shows that the customer rated reliability as one of the highest priority for service quality. Vuong (2014) also said that reliability is one of the dimensions that are included in service quality. Tan and Maran (2014) found out that the customer expects a lot from the reliability dimension and the customers are very sensitive to the reliability of a bank that is providing good and services. Dhanda and Bala (2016) stated that reliability will highly affect the overall customer satisfaction. Nuradli (2014) shows that the accuracy in the measurement of the model should be seen in terms of reliability and validity. Dr. Kumar (2013) also stated that the data that they have collected was to test for the validity and reliability. This shows that the reliability dimension is one of an important variable that will affect the customer satisfaction.

2.1.2.1.4 Responsiveness

Under the service quality there have five dimensions while the responsiveness is one of the dimensions of the service quality. According to Saghier & Nathan, (2013) and Felix (2017), responsiveness can be defined as the employees are pleased to offer service to customers when the customers need help. In this 21st century, there are many competitors if the customers are not satisfaction with the service that provide from the employees the customers will changes to other competitors, the customers will always choose the best. Responsiveness of the

service quality includes understanding the customer wants and need, attention of employee and wariness to the problems of customer (Saghier & Nathan, 2013).

According to Bilika, Safari, and Mansori, (2016), whenever there include the employee or people in the industry; responsiveness is the major dimension. The speed, agility and delivering skill of responsiveness toward customer is also very important to customer satisfaction. The employees that work in the banking industry are considerate to get ready and make preparation to deal with any problems or any questions that request by the customers (Bilika, Safari, & Mansori, 2016). The faster the time that willing to help or solve the problem will affect the customer satisfaction. The attitude of responsiveness by an employee are when customer having problems or question, delivery the accurate and useful information to customers and solving the problem quickly (Felix, 2017).

Moreover, according to Selvakumar (2015), the expected of customer satisfaction is gauge by the disparity from the service of responsiveness. Responsiveness is important and significantly to customer's satisfaction, to ensure the customer is continually satisfaction the service need to have an improvement (Okeke, Ezech., & Ugochukwu, 2015). When the banks fail to help or not willing to help the customer solve the problem, the customers will feel unsatisfied with the services quality. Responsiveness can be strongly affect the customer satisfaction because when the employees paid attention or give attention to the problems that occur by the customers, the customers will few or get satisfaction (Selvakumar, 2015).

2.1.2.1.5 Assurance

Assurance or safety is one of the dimensions in SERVQUAL model. According to Fragoso and Espinoza (2017), Assurance or safety is usually used to measure the understanding and politeness of the employees and their skill to gain accredit. In

the studies of Frago and Espinoza (2017), it shows that safety or assurance is more preferable by the customer.

According to Bilika, Safari and Mansori (2016), Assurance includes the ability of the service provider, the credibility, and security of the transactions. For example, clients should be able to trust employees, clients should be able to feel safety in transaction with employees and employees should be polite. In the banking industry, the employees should have related knowledge to do the service, communicate with the client in a polite and courtesy, conveying trust and confidence. Moreover, employee should explain the service, costs, and benefits and make sure it is secure for customer's transaction and the most important customers' personal information. In the research of Bilika, Safari and Mansori (2016), the result stated that when the assurance is higher, customer satisfaction will increase too. It means the staff be more assurance will also increase the customer satisfaction. Assurance is the third strongest predictor of customer satisfaction in the studies.

Moreover, Felix (2017) also stated that assurance is define as the understanding and manners of the employees and the capability to gain accredit and faith. In order to have assurance, it must fulfill the following components which included ability, good manners, credibility and security. While ability means that the staff must have knowledge and skills, good manners means the staff must be friendly, showing respect and tolerance to the customers, credibility means that the staff must shows honesty and gain trust from customers and lastly security means the staff must be free from danger and uncertainty. In the studies of Felix (2017), it shows that there customer satisfaction will significantly affect service quality and assurance has significant relationship with customer loyalty. It means that when the service quality becomes better, the customer will be more satisfy with the service of the bank.

2.2 Review of Theoretical Model

2.2.1 SERVQUAL Model

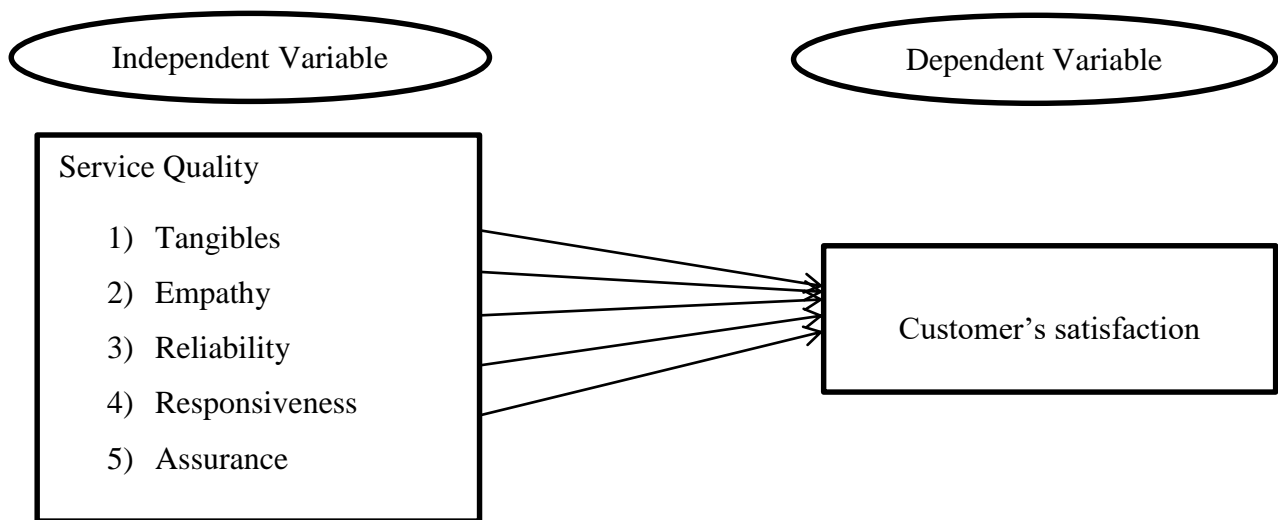


Figure 2.1: Service quality model (Parasuraman et al., 1985)

The figure above exhibited the relationship between customer satisfaction and 5 of service quality variables. There are consist of five classic service quality dimensions which are reliability, empathy, tangibility, assurance and responsiveness and always taken by researchers to use as the proper model to quantify and survey the service quality. The scale measurement is developed by Parasuraman from ERVQUAL model. This measurement is able to help in look into the gap between perceived service and expected service (Felix, 2017).

According to Parasuraman et al., (1985), service quality is evaluated by the accompanying conditions: If the perceived service is more prominent than expected service, in the end, it will come out the result with “EXCEPTIONAL

QUALITY or QUALITY SURPRISE”. In the event that the customers' expectations correspond with the actual service performance, then the result will be “SATISFACTORY QUALITY”. The satisfactory quality also known as services quality. If the customers' expectations are unfulfilled or unmet or fall short, then it brings out the results in “UNACCEPTABLE QUALITY” (Selvakumar, 2015).

According to the finding from Felix (2017), from the result of Pearson linear correlation coefficient, he found that there is positive significant and relationship between customer satisfaction and service quality while in contrast aspect, like loyalty of customer with responsiveness, reliability and assurance. However, there is no significant relationship between the sub-variables like assurance, reliability, empathy, tangibles and responsiveness in the comparison (Felix, 2017).

Prabath Perera and Dilini Aruppala believe that satisfy customer needs is the ultimate goals in any business environment since the service businesses have been developing quickly in recent decade with the high requirement for high quality customer services. The researcher had used the SERVQUAL model to measure the customer satisfaction toward the service quality of NDB PLC leading bank in Sri Lanka. A survey had been conducted to a total of 100 customers from two focused cities in Western province which are Colombo and Gampaha by using simple random sampling method. Finally, the final result showed that the customers are fulfilled with all the five dimensions from the SERVQUAL model. The researcher can conclude according the above result that the customers are happy with the service quality that provide by NDB PLC leading bank (Perera & Prabath , 2013).

2.3 Proposed Theoretical Framework

Service quality dimensions	22-Item Scale
Reliability	Providing service as promised
	Dependability in handling customers' service problems
	Performing services right first time
	Providing services at the promised time
	Maintaining error-free record
Responsiveness	Keeping customer informed as to when service will be performed
	Prompt service to customers
	Willingness to help customers
	Readiness to respond to customers' requests
	Employees will instill confidence in customers
Assurance	Making customers feel safe in their transactions
	Employees who are consistently courteous
	Employees who have the knowledge to answer
	Customers' questions
Empathy	Giving customers individual attention
	Employees who deal with customers in a caring fashion
	Having the customer's best interest at heart
	Employees who understand the needs of their customers
	Convenience business hour
Tangibles	Modern equipment
	Visually appealing facilities
	Employees who have a neat, professional appearance
	Visually appealing materials associated with the service

Table 2.1: 22-item Service Quality scale. (Felix, 2017)

Based on the five dimensions of our independent variable which includes: the reliability, the responsiveness, the assurance, the empathy and the tangibles, the researcher Chun Wang and Zheng Wang had developed 22-item service quality scale (shown in Table 1). The figure and table above illustrated the proposed conceptual framework which is developed to play the role as the basis of the

research. The theoretical framework is to assist researchers to determine the relation between the independent variables and the dependent variable towards the influence of customer satisfaction level regarding to credit card. This paper is to study on the factor of 22-item scale of 5 service quality dimensions such as tangibles, empathy, reliability, responsiveness and assurance on the consumer purchase decision. It was expected to hypothesize that factors include tangibles, empathy, reliability, responsiveness and assurance are positively significant relationship with consumer satisfaction level. The proposed framework consists of 5 hypotheses to be tested in examining the relationship among the variables. The details of each hypothesis will be discussed on next section.

2.4 Hypotheses Development

2.4.1 Service Quality

According to Bilika, Safari, and Mansori, (2016) and Mwangi (2014), they found that the services quality can affect the customer satisfaction. There is a positive relationship between customer satisfaction and services quality. Service quality can be effect the customer satisfaction because it is an important element for the customer satisfaction. There have few categories to achieve the service quality such as assurance, empathy, reliability, responsiveness and tangibility. The researchers used this few categories to examine the relationship between customer satisfaction and services quality. The services quality included the assurance which is when the employees have the ability and the knowledge to serve their customers; this will increase the customers' retention. Besides, empathy represented that the banks should put afford to their customers such as understand their customer need, feeling and what they want, even the banks should put themselves in the customer placement therefore the customer can satisficed. The

service quality must have the reliability, when the bank provide the information correctly and fulfil the customers' need, while the customers will increase. Responsiveness is one of the service quality which promises by the company. The responsiveness of the employee should be fast and flexibility, the employee need to prepare well to solve the customer question, problem and requests. The tangibility also will affect the customer satisfaction. When the customer enters to the banks the first impression is very important (Nuradli, 2014).

2.4.1.1 Hypothesis 1: Tangibles

H10: There is no significant relationship between tangibles and customer satisfaction level of credit card.

H11: There is a significant relationship between tangibles and customer satisfaction level of credit card.

Other than these, there will be a significant effect between customer satisfaction and tangibles. Besides, researchers Yulisetiarni (2014), Bharwana Bashir and Mohsin (2013) had figure out the dimension of tangible has important relationship with satisfaction of customer. From researches Goh, Kow, Lee, Loh and Sam (2013) tangible and customer satisfaction have a positive relationship. According to Ismail, Ridzuan, Rose, Abdullah, Rahman & Francis, (2013) shows as the correlation between tangibles and customer satisfaction are not significant. Based on past result, it leads us in developing our first hypothesis. Saghier and Nathan (2013) show that the tangibility has relationship but does not have any consequence on customer satisfaction. Selvakuma (2015), the tangible have significant effect on Customer Satisfaction. The reason is because of the modern and fashionable appearance or sophisticated equipment. Where the visually appealing and alluring environment are viewed as the positive influence of tangibility on customer satisfaction in the banking industry. Tangible had

significant relationships with service quality and customer satisfaction (Agbor, 2011). Bases on Arokiasamy and Tat (2014) there are stronger and positive relationship between tangibles and customers satisfaction ($R^2 = .364$, $n=380$, $p < 0.05$). Which means there are 37% of customer satisfaction is determined by tangibility.

2.4.1.2 Hypothesis 2: Empathy

H20: There is no significant relationship between empathy and customer satisfaction level of credit card.

H21: There is a significant relationship between empathy and customer satisfaction level of credit card.

According to Selvakumar (2015) found a significant relationship between customer satisfactions toward empathy. While, the authors Brendan E. Asogwa, Boniface U. Asadu, Jonas U. Ezema and Cyprian I. Ugwu found that there might be less significant or no significant relationship between customer satisfactions toward empathy. Therefore, the second hypothesis, H20 is developed (Asogwa, 2014). According to Wieseke, Geigenmuller and Kraus (2014) they stated that the lower the customer empathy, the effect size of customer satisfaction on customer loyalty increases, there are negative effect of customer satisfaction.

2.4.1.3 Hypothesis 3: Reliability

H30: There is no significant relationship between reliability and customer satisfaction level of credit card.

H31: There is a significant relationship between reliability and customer satisfaction level of credit card.

According to Dr VanishreePabalkar et al. (2016) the results shows that private banks are more reliable then the public banks because the reliable service quality that is provided by private sector bank is higher than public sector banks which lead to higher level of satisfaction of credit card user. It was also showed that customer satisfaction level of credit card has a strong relationship with reliability (Vuong, 2014). It is shown that a coefficient of 0.124 is found in their research and this shows the positive significant relationship between reliability and customer satisfaction on credit card (Goh, Kow, Lee, Loh and Sam 2013). These results will help us to get our first hypothesis.

2.4.1.4 Hypothesis 4: Responsiveness

H4₀: There is no significant relationship between responsiveness and customer satisfaction level of credit card.

H4₁: There is a significant relationship between responsiveness and customer satisfaction level of credit card.

According to Bilika, Safari, and Mansori, (2016), found that have a positive relationship since the responsiveness is under the service quality dimension so it can affect the customer satisfaction. There have a significant impact between responsiveness and customer satisfaction because the service quality toward customers will relate to the customer satisfaction (Bilika, Safari, & Mansori, 2016). Besides, the others researchers such as Saghier and Nathan, (2013) and Selvakumar, (2015) also found the relationship between responsiveness and

customer satisfaction is significant. When the customer need assist, the responsiveness toward the customer is very important (Saghier & Nathan, 2013). However, the responsiveness from the employees toward the customer increase which mean employees are willing to help and offer more service to customers when they need this will increase the customer satisfaction level too (Selvakumar, 2015). This hypothesis is to determine the relationship between customer satisfactions with responsiveness of service quality.

2.4.1.5 Hypothesis 5: Assurance

H40: There is no significant relationship between assurance and customer satisfaction level of credit card.

H41: There is a significant relationship between assurance and customer satisfaction level of credit card.

According to Bilika, Safari and Mansar (2016), in the result of their research, they found that assurance have strong effect on customer satisfaction is because of the negative sensibility of customer as the bank's ability in carrying out service accurately. The studies show that there are positive significant relationship between assurance and customer satisfaction as the p-value is 0.004 which is smaller than 0.05 proved about the significant relationship. Moreover, the positive value of 0.123 Beta indicates that they are having positive relationship.

Moreover, Shanka (2012) also proved that there are significant relationship between assurance and customer satisfaction level as the p-value is 0.039 which is smaller than 0.05. The study not only shows that assurance and customer satisfaction is having significant relationship, it also shows that they have high

correlation with the value $p=0.796$. Rahman, Hasan and Mia (2017) found that assurance have a negative relationship with customer satisfaction as shown by coefficient value of -0.081 with the significance level of 0.355 on their research.

2.5 Conclusion

In brief, Chapter 2 provides an overview of the study of factor in affecting customer satisfaction level. There have five variables are positively significant relationship in affecting consumer satisfaction level on credit card which is tangibles, empathy, reliability, responsiveness and assurance. Besides that, the SERVQUAL model had been used as theoretical models. Use Customer Perceived Value to determine customer decision. Chapter 2 focuses on gathering secondary data in order to provide a clear guideline and direction for the upcoming chapters. After reviewing for the theoretical model and past literature reviews, the conceptual framework is developed. In chapter 4, the proposed hypothesis will be tested, before that, further methodologies will be discussed in chapter 3 in this research.

Chapter 3: Research Methodology

3.0 Introduction

In brief, research methodology chapter is discuss about the formal procedure or a systematic ways used by people to collect information in making data and how the data useful for us to achieve our goals and objective in our study. In this chapter, this study will provide the detailed explanation on the research procedures in term of the design of our research, the method of data collection, design of the sampling, research instrument, processing of the data and methods of data analysis.

3.1 Research Design

3.1.1 Quantitation Research

In this research, the study had used the quantitative research method as our research design to look over the customer satisfaction toward credit card. According to Goertzen (2017), quantitative research method can be generate by numerical data and it is a structured that collecting data and analyzing data. Besides, the purpose of quantitative methods is to quantify the data and generalize the results from a sample of population (Park & Park, 2016). By using quantitative method, the collecting data are large and it can be examine easily from many different perspectives (Goertzen, 2017). Moreover, this research numerical data is collecting through a survey questionnaire that distributed at the urban areas of

Selangor, Johor and Sabah. According to the statistic from Department of Statistics Malaysia, Selangor is a state that having most populations which is 5.46 million, the second is Johor 3.35 million and third is Sabah 3.21 million.

3.1.2 Descriptive analysis

Descriptive analysis is a type of data that summarizes the obtained data that is used to show the information that is gathered from questionnaires quantitatively. It can be used to represent an entire population or a sample of it. The demographic profile of the respondents and central tendencies measurement of conduct are collected separately in the descriptive analysis from the respondents. The demographic profile includes frequency and percentage of the total respondents, while the central tendencies measurements of conducts will show the means value and standard deviation. According to Nuradli (2014) descriptive analysis is normally used to give the overall picture of the respondents' demographic profile.

3.2 Data Collection Method

The data collection method of our research is only includes primary data. Primary data are the data collected form the target populations for the particular current research issue and using the step that fit the research problem best. The customer satisfaction toward credit card can be carried out by collecting data through survey questionnaire.

3.2.1 Primary Data

Primary data is an original or first data that obtained for a certain research purpose. There are various ways to collect the data, including qualitative research, experiment, and social survey and solicited and spontaneous data. In social survey, a huge and representative sample of target population will be interviewed. Typically, an extensive number of questions are asked and the responses will be coded in standardized answer classifications. In this study, the social survey will be conducted by distribute the survey questionnaire to gather the primary data from the customer of using credit card.

Table 3.1: Sources of Independent Variable

Independent Variable	Sources
Tangibles	Survey Questionnaires
Empathy	Survey Questionnaires
Reliability	Survey Questionnaires
Responsiveness	Survey Questionnaires
Assurance	Survey Questionnaires

3.3 Sampling Design

3.3.1 Target population

Target population of our research those who are a credit card user and the group consist of citizen of Malaysia because our study is about the satisfaction level of credit card so that this study are tend to focus on those citizen who have ability to apply the credit card and have fixed salary. The study is using online survey questionnaire and specific area survey questionnaire method. Using online survey questionnaire because of this method could solve location problem. The method of online survey questionnaire is using by online spread sheet called 'Google form'. Although using this method (online survey questionnaire) could solve location

problem, but the resident of Sabah, Selangor, and Johor will be the main objective respondents in this research.

3.3.2 Sample size

Amount of respondents to conduct a research is sample size. According to Tan and Marimuthu (2014), the sample size for their research is 200 respondents. The researcher had suggested that a bigger sample size can find out more. The respondent group includes a few categories which are Working Professional, the Housewife, the Senior Citizen, the student and working professional etc.

There is a model by Krejcie & Morgan (1970) was also taken into consideration when determining the suitable sample size for this research where the formula is as shown below:

$$S = \frac{X^2 N P (1 - P)}{d^2 (N - 1) + X^2 P (1 - P)}$$

- S = required sample size
- X^2 = the table value of chi-square for one degree of freedom at the desired confidence level (3.841)
- N = the population size
- P = the population proportion (assumed to be .50 since this would provide the maximum sample size)
- d = the degree of accuracy expressed as a proportion (.05)

Figure 3.1: Sample Size Formula

The researchers have decided to distribute a total of 200 questionnaires in total to the respective states: Sabah, Selangor and Johor.

3.3.3 Sampling technique

To obtain the primary data for this study, a survey is a must to get the primary data. Therefore, the survey has adopted the non-probability sampling technique for this study. Convenience sampling belongs in one of the categories in non-probability sampling technique where it involves using samples that can be accessed easily. Convenience sampling is used because it can obtain basic data easily instead of having a more difficult to obtain sample like randomized sample.

3.4 Research Instrument

According to Newman 1974, the scale of measurement is differentiating into 4 categories. The 4 categories include nominal, ratio and Likert scale. The scale of measurement of this research topic is selected carefully. The above table, table 3.4 indicates every measurement of scale in each variable in the research topic questionnaire.

Table 3.2 Descriptive Analysis Table

	No	Variables	Scale of measurement	Likert Scale
Section A (Demographic Profile)	1	Gender	Nominal	N/A
	2	Age	Ratio	N/A
	3	Marital Status	Nominal	N/A
	4	Race	Nominal	N/A
	5	State	Nominal	N/A

	6	Education Level	Nominal	N/A
	7	Income Level	Ratio	N/A
	8	Occupation	Nominal	N/A
Section B (customer satisfaction level regarding to the credit card)	1	Customer Satisfaction	Likert	5-point
	2	Tangibles	Likert	5-point
	3	Empathy	Likert	5-point
	4	Reliability	Likert	5-point
	5	Responsiveness	Likert	5-point
	6	Assurance	Likert	5-point

3.4.1 Nominal Scale

The nominal scale is use for variable without any quantitative value. For this research topic, question 1 (Gender), question 3 (Marital status), question 4 (Race), question 5 (State), question 6 (Education Level) and question 8 (Occupation) are using nominal scale. For example, gender in question 1. For question 1 there are 2 answers which are female and male. The answer female represent label 1 which represent the value of 1, while the answer for male represent label 2 which represent the value of 2.

3.4.2 Ratio scale

Ratio scale is the scale use to measure the exact values in between the units. In this research topic, question 2 (Age) and question 7 (income level) is using the ratio scale. For example, in question 2 there are 5 answers, which firstly is below 20 years old, secondly 21-30 years old, thirdly 31-40 years old, fourthly 41-50

years old and 50 years old and above. Each of the answers has its own exact value, which means if the answer is 41-50 years old, the respondent's age must fall between ranges 41-50, and it will not be 60 that show the exact value.

3.4.3 Likert Scale

Ordinal scale is used when there is orders in values whether are it important or significant or not. In this research topic, ordinal scale is used in all section B's questions. 5-point Likert is used in all section B's questions where 1 which is strongly disagree, 2 which is disagree, 3 which is neutral, 4 which is agree and 5 which is strongly agree. 5- point Likert is used because of 7 point Likert scale will make respondent too confuse.

3.5 Data Processing

There are a series of preliminary steps for instances, checking, editing, coding and transcribing should be conducted for data preparation purpose before data are being analyzed in order to ensure the accuracy as well as conformity of the data.

3.5.1 Data Collection

Data collection defines as a process of gathering and measuring sources from a variety of sources to get complete and accurate outcomes. The required data in this study are survey questionnaire or primary data. According to Joop J.H and Hennie R.B, primary data is an original or first data that collected for a certain research purpose. The topic of this study is customer satisfaction toward credit card and therefore, the target locations or urban areas of this survey are Selangor,

Johor and Sabah. Apart from that, the target populations of this study are 200 respondents who are using credit card.

3.5.2 Data Sorting

Data sorting can be defined as the process of placing data in an order so that it will be easy to read and analyze. Therefore it can be used to analyze the data with lesser error and it will be more effective and efficient. Since the topic chosen is customer satisfaction toward credit card and the target locations or urban areas of this survey are Selangor, Johor and Sabah, the data will be sorted into different categories such as age, gender, income, location and more.

3.5.3 Data Checking

Data checking can be defines as a process to recheck, double entry or visual checking for all of the survey questionnaires and the data that collected. According to Barchard and Verenikina, (2013) data checking is to ensure there is no any entry errors such as typing error with enter two time or missing of data. It will be change the accuracy of the result directly if entry error even is a single data. Besides, there will have the checking process to the entire survey questionnaire to make sure there is no any missing answer from the respondents. To avoid the entry errors and the accuracy of the result, if there have any error detected the correction will be taken immediately.

3.5.4 Data Coding

Statistical package for Social Science 9 (SPSS) is used for the research topic to carry out data coding. For questions in Section A is for the demographic profile. Each answer is a label for each value. For the section B of the questionnaire, 5-point of Likert Scale is used, the code will be ranked from 1-5 where 1 is strongly disagree and 5 is strongly agree.

3.6 Data Analysis

After data collection is done, it will be analyzed by using Microsoft excel and Statistical Package Social Science (SPSS). The data will be inserted into the software for its analysis and hypothesis testing.

3.6.1 Pearson Correlation Coefficient Analysis

According to Kim, Kim, and Ergun, (2015), Pearson correlation coefficient is the statistic that to measure the linear relationship between the two variables. The idea of the correlation is developed by Karl Pearson, so it is named by his last name as Pearson correlation coefficient. This Pearson correlation coefficient is very important for many scientific area even it did not measure the relationship of causal between two variables. The value for Pearson correlation coefficient is varies from -1 to +1 which when -1 the linear relationship is perfectly negative while when +1 the linear relationship is perfectly positive. When the value is close to zero, it means the degree of linear relationship is small (Sari, Lucio, Santana, Krysczun, Tischler, & Drebes, 2017). Besides, there have some rules from thumb to interpret the relationship of the correlation coefficient which in table 1.

Table 3.3: Rule of Thumb (Pearson Correlation Coefficient)

Size of Correlation	Interpretation
---------------------	----------------

0.90 to 1.00 (-0.90 to -1.00)	Very high positive (negative) correlation
0.70 to 0.90 (-0.70 to -0.90)	High positive (negative) correlation
0.50 to 0.70 (-0.50 to -0.70)	Moderate positive (negative) correlation
0.30 to 0.50(-0.30 to -0.50)	Low positive (negative) correlation
0.00 to 0.30 (0.00 to -0.30)	Negligible correlation

This table is from Mukaka, (2012)

3.6.2 Pilot Test

A pilot test will be carry out before the real survey process in order to make sure the effectiveness of the questionnaire. The objective of the pilot test is to analyzing the questionnaire in term of question wording, content, arrangement, layout and format, instruction and question difficulty. Before distributing the survey questions, the supervisor had to check up the entire questionnaire in order to deliver the better understanding to the respondents. In the end, the modified questionnaire is distributed to 50 respondents for pilot testing and getting their feedback for improvement purpose.

Table 3.4: Reliability Statistics

	Cronbach's Alpha	N of Items
Customer Satisfaction	0.847	6
Tangibles	0.859	4
Empathy	0.818	5
Reliability	0.847	5
Responsiveness	0.943	5
Assurance	0.916	5

3.6.3 Reliability Test

From the researcher Drost (2011), according to Bollenm (1989) reliability is known as the consistency of measurement. Reliability is the stability of measurement over different condition and situation in which basically similar results will be obtained based on Nunnally (1978). Rosenthal and Rosnow (1991) notes that reliability test is a psychological test that used to determine attributes or action. Reliability is the length to which determination can be repeated to get identical results. Besides, reliability test is carrying out to test the extent which the measurement is correct. There are three aspects of reliability, equivalence, internal consistency and stability overtime. Internal consistency reliability was examined to discover the reliability and consistency of the results that acquired from our research.

Cronbach Alpha is the most well-known technique to examine internal consistency. Because of its function and usefulness, it was popularized by Cronbach (1951). As the number of observation increases coefficient of internal consistency increases to a limit. For instance, a 10-items test may correlate by 0.5 and a 20-items test may correlate by 0.8. Cronbach's Alpha coefficient is ranged between 0 and 1 where the closer the value of coefficient to 1, the higher the consistency of the results. Nunnally (1978) said that the minimally acceptable reliability should be in the range of 0.6 or above. Cronbach Alpha of 0.6 and above is considered as acceptable.

The table below provides the ranges of Cronbach alpha (Table 3.5):

Score	Ranges
Excellent	$\alpha > 0.9$
Good	$0.7 < \alpha < 0.9$
Acceptable	$0.6 < \alpha < 0.7$
Poor	$0.5 < \alpha < 0.6$
Unacceptable	$\alpha < 0.5$

3.6.3.1 T-test

A T-test is an analysis that is used to compare two populations mean using the statistical examination and shows the differences between each other. T-test is normally used with a population or sample with small sample size to determine the differences between the samples when the variances are not known. The test statistics in the test can be known as the t-statistic. A t-value of 0 shows that the sample results are equal to the null hypothesis. This shows the difference with the sample estimate and the null hypothesis whereas the higher the difference, the higher the absolute value of the t-value.

3.6.4 Multiple Linear Regression Analysis

According to Uyanik and Guler (2013), the significance of relationship is test by multiple linear regressions between the responding and manipulated variable. By using this method, it is used for determine the correlation when there is exceed one independent variable that will affect dependent variable. Moreover, it also determines the “power” of the independent variable, which means which independent variable will be the most influences to the dependent variable. In the study, the dependent variable is customer satisfaction level while the independent variables are tangible, empathy, reliability, responsiveness and assurance. It is a must to determine whether there is any relationship within the variable. In the research topic, significant level of 1%, 5% and 10 % are used. If the p value of the independent of the variable is less than 0.05, it means that the certain independent variable is significant towards the dependent variable at 0.05 significant level while if the p value of the independent variable is more than 0.05, it means that

the certain independent variable is not significant towards the dependent variable, thus, null hypothesis is rejected.

In this model, the beta value acts as a predictor to measure how strong is the relation between the individual independent variable towards the dependent variable. Therefore, the greater the value means greater impact of the independent variable affect the dependent variable. For positive beta value, it indicates the relation between the manipulated variable and responding variable is positive, meanwhile, if the beta value is negative, it indicates the relation between independent variable and dependent variable is negative. If there is 0 for beta value, it indicates that there are no relationship between manipulated variable and responding variable. Besides, R squared is use to determine whether the model fits into the regression or not. The higher value of R square the more of the variation of dependent variable can be explained by variation of independent variable.

3.7 Conclusion

In a conclusion, this chapter is discusses about the methodology and data sources has been used to test for the result. This study has demonstratively described the proxy used of all variables. The method that conducted to collect all the data has also been clearly explained and determined in this chapter and all of the data are collected from the respondents from 3 areas which are Johor, Selangor and Sabah. In addition, the SPSS version 23 software is carried out in this study to conduct the data analysis. However, the following chapter will further investigating about the empirical result and output of each methodology.

Chapter 4: Research Result

4.0 Introduction

This chapter is to analyze and interpret the data that obtained 200 sets if the questionnaire is distribute to the respondents and it is collected from the urban areas of Malaysia including Selangor, Johor and Sabah. The data collected use SPSS to analyze, the test includes of descriptive analysis, pilot test, reliability test, Pearson correlation coefficient analysis and multiple regression analysis.

4.1 Descriptive Analysis

Descriptive analysis is a study on respondents demographics' information includes of whether they own a Credit Card or not, the frequency of using Credit Card in a month, gender, age, marital status, race, in which states they stay, education level, income level, bank that issue the Credit Card and occupation.

4.1.1 Respondent Demographic Profile

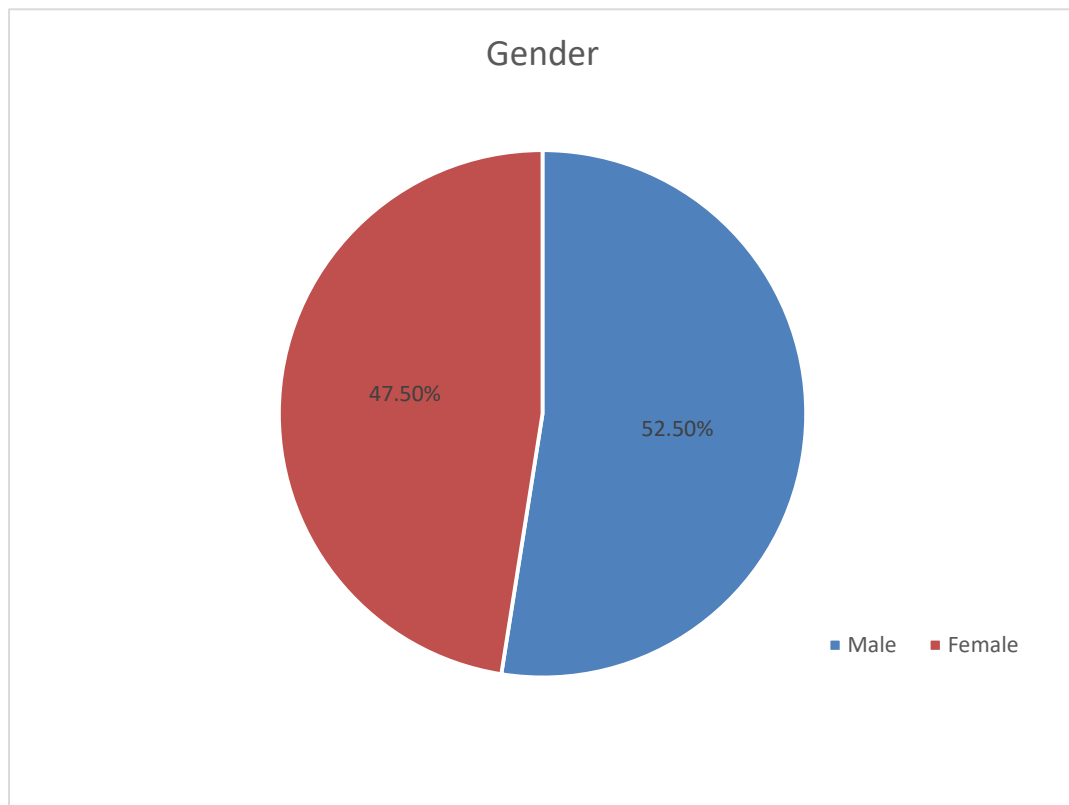
4.1.1.1 Gender

Table 4.1: Statistics of Respondent's Gender

GENDER					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	105	52.5	52.5	52.5
	Female	95	47.5	47.5	100.0
	Total	200	100.0	100.0	

Source: Developed for the research

Figure 4.1: Statistic for Respondent's Gender



Source: Developed for the research

Table 4.1 and figure 4.1 shows 105 of the respondents are male, or 52.5% of the respondents are male, while there are only 95 of the respondents are female, or 47.5% of the respondents are female. Total of 200 respondents take part in the questionnaire.

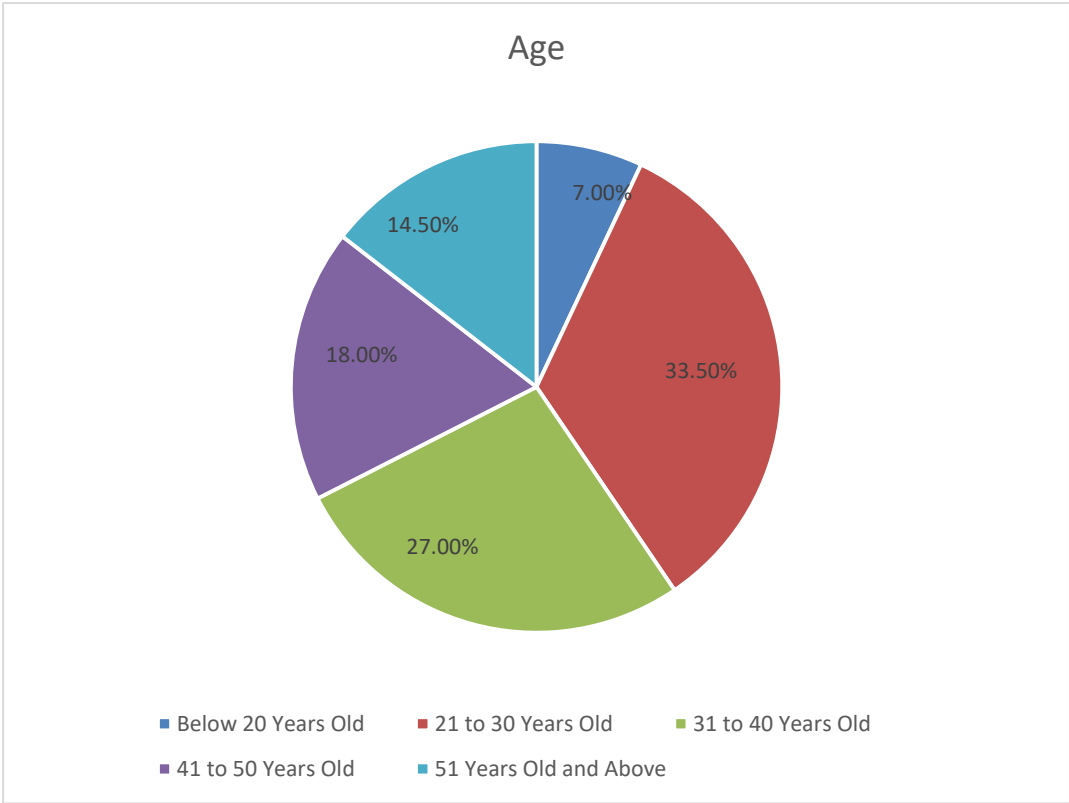
4.1.1.2 Age

Table 4.2: Statistics of Respondent's Age

AGE					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below 20 Years Old	14	7.0	7.0	7.0
	21 to 30 Years Old	67	33.5	33.5	40.5
	31 to 40 Years Old	54	27.0	27.0	67.5
	41 to 50 Years Old	36	18.0	18.0	85.5
	51 Years Old and Above	29	14.5	14.5	100.0
	Total	200	100.0	100.0	

Source: Developed for the research

Figure 4.2: Statistic for Respondent's Age



Source: Developed for the research

Table 4.2 and figure 4.2 shows 14 of the respondents are in the age below 20 years old, which is 7%. 67 of the respondents are in the age group of 21 to 30 years old, it is 33.5% which is highest among all age group, 54 respondents, which is 27.0% of them are in the age group of 31 to 40 years old, 36 of the respondents are in the age group between 41 to 50 years old, which is 18% and lastly there are 29 respondents are 51 years old and above, which has a percentage of 14.5%.

4.1.1.3 Marital Status

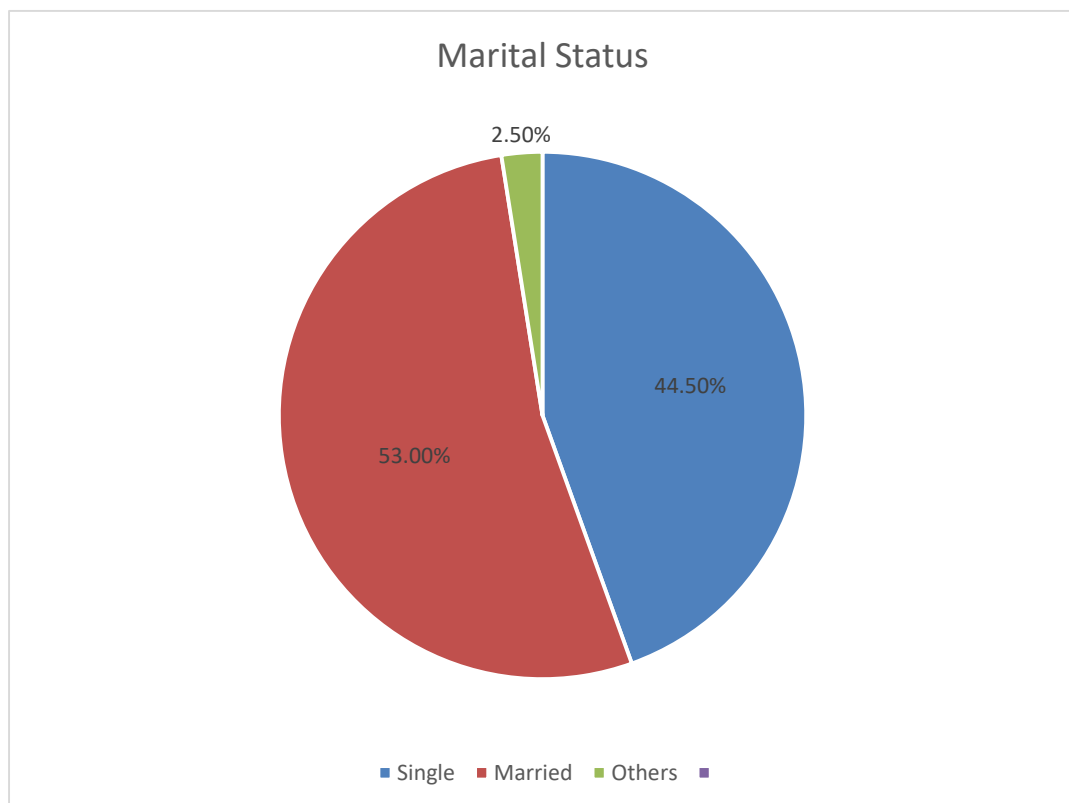
Table 4.3: Statistics of Respondent's Marital Status

MS				
	Frequency	Percent	Valid	Cumulative

				Percent	Percent
Valid	Single	89	44.5	44.5	44.5
	Married	106	53.0	53.0	97.5
	Others	5	2.5	2.5	100.0
	Total	200	100.0	100.0	

Source: Developed for the research

Figure 4.3: Statistic for Respondent's Marital Status



Source: Developed for the research

Table 4.3 and figure 4.3 shows that the percentage and number of the respondents' marital status. There are 89 respondents is single, with the percentage of 44.5%, while there are 106 of the respondents are married, with the percentage of 53.0%.

Others which are neither married nor single are 5 respondents which have the percentage of 2.5%.

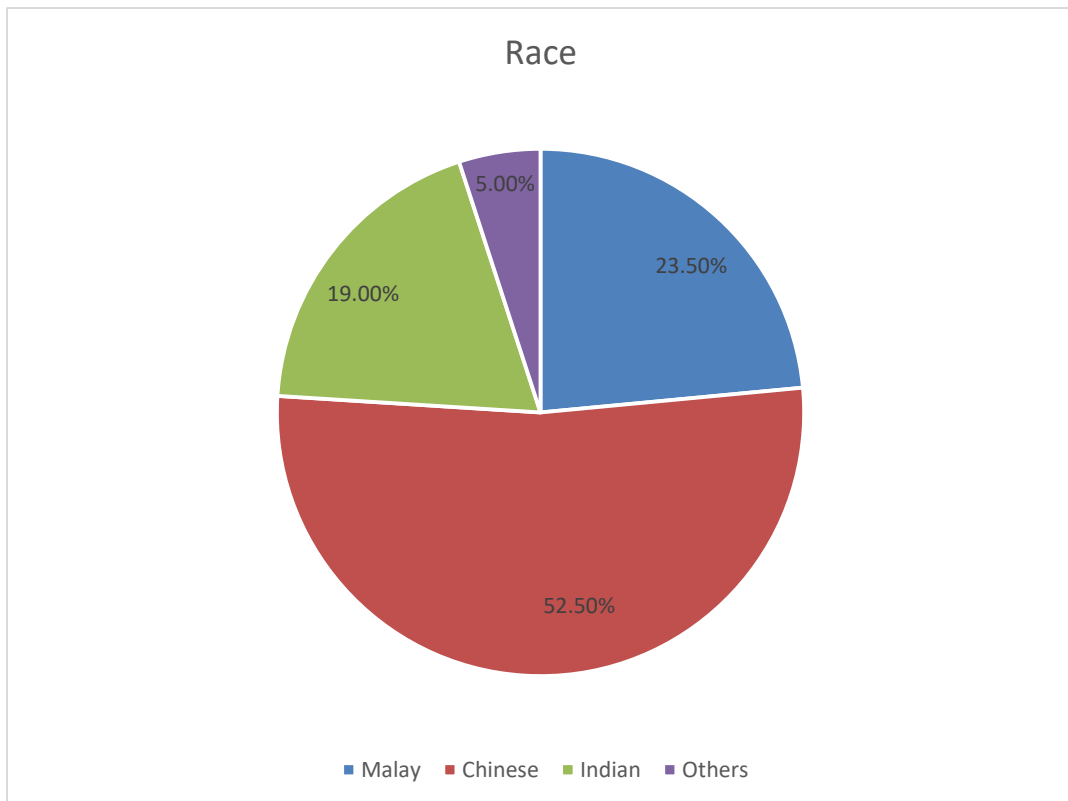
4.1.1.4 Race

Table 4.4: Statistics of Respondent's Race

RACE					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Malay	47	23.5	23.5	23.5
	Chinese	105	52.5	52.5	76.0
	Indian	38	19.0	19.0	95.0
	Others	10	5.0	5.0	100.0
	Total	200	100.0	100.0	

Source: Developed for the research

Figure 4.4: Statistic for Respondent's Race



Source: Developed for the research

Table 4.4 and figure 4.4 shows 105 Chinese's respondents fill up the questionnaire, which consists of the percentage of 52.5%, which is major in the research. There are 47 of the Malay respondents which consist of 23.5% and 38 of the Indian respondents which have the percentage of 19%. The others races are minority, which only consist of 5% of the total respondents.

4.1.1.5 States

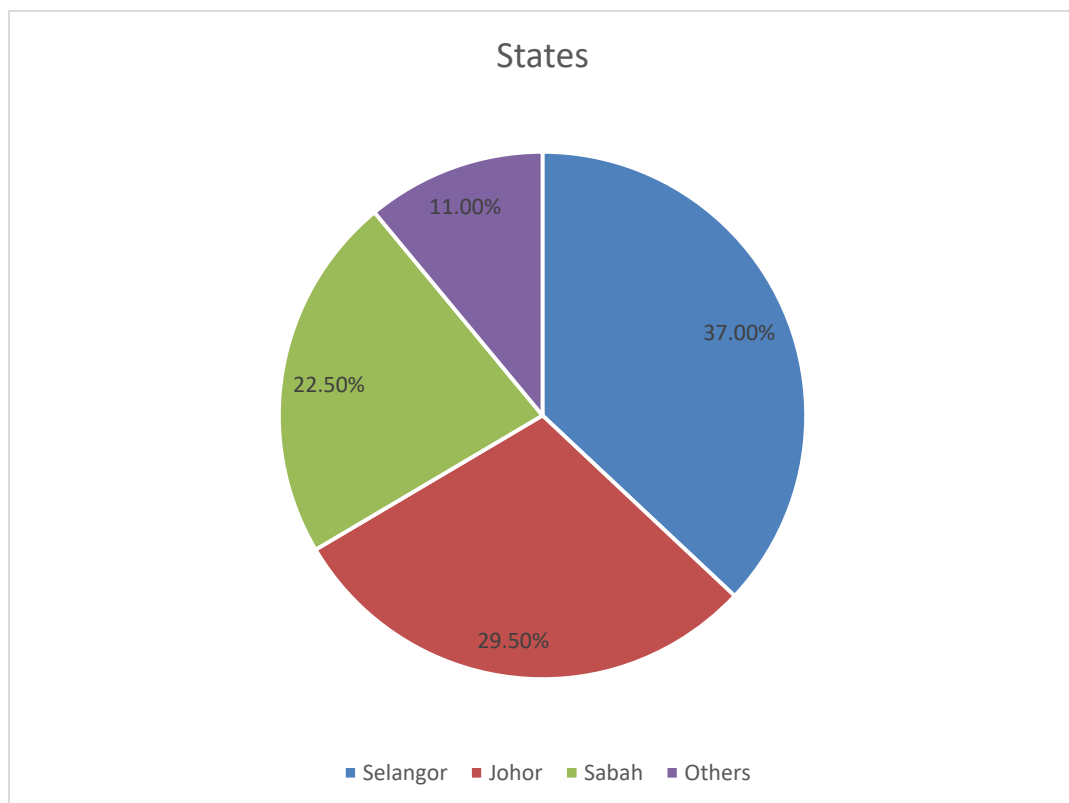
Table 4.5: Statistics of Respondent's States

STATES				
	Frequency	Percent	Valid Percent	Cumulative Percent

Valid	Selangor	74	37.0	37.0	37.0
	Johor	59	29.5	29.5	66.5
	Sabah	45	22.5	22.5	89.0
	Others	22	11.0	11.0	100.0
	Total	200	100.0	100.0	

Source: Developed for the research

Figure 4.5: Statistic for Respondent's States



Source: Developed for the research

Table 4.5 and figure 4.5 shows respondents' states of residence. Most of the respondents are stay in Selangor, which is 74 of them, with the percentage of 37%, while there are 59 respondents are from Johor, with the percentage of 29.5%. There are 45 respondents from Sabah which consists of 22.5% of the respondents.

22 over 200 of the respondents are come from other states, which has the percentage of 11%.

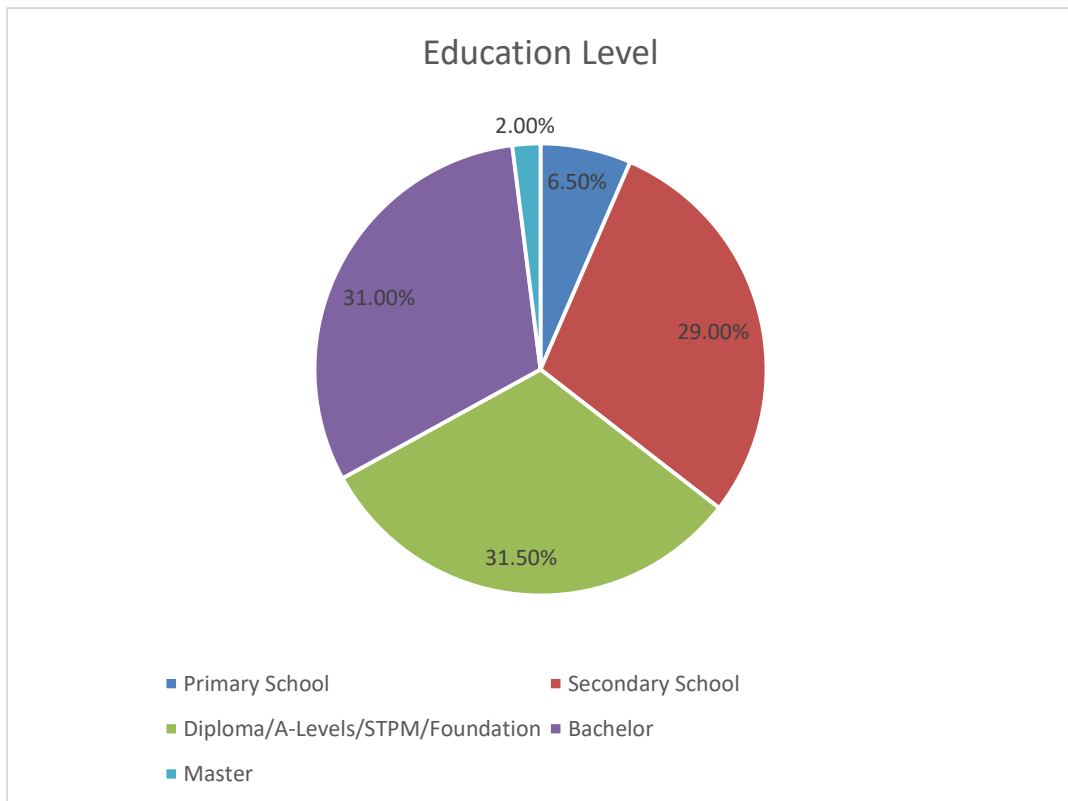
4.1.1.6 Education Level

Table 4.6: Statistics of Respondent's Education Level

EL					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Primary School	13	6.5	6.5	6.5
	Secondary School	58	29.0	29.0	35.5
	Diploma/ A-Levels/ STPM/ Foundation	63	31.5	31.5	67.0
	Bachelor	62	31.0	31.0	98.0
	Master	4	2.0	2.0	100.0
	Total	200	100.0	100.0	

Source: Developed for the research

Figure 4.6: Statistic for Respondent's Education Level



Source: Developed for the research

From table 4.6 and figure 4.6, there are 5 categories of education level for the respondents. The 5 categories which are primary school, secondary school, diploma/A-levels/STPM/Foundation, bachelor and master with the frequency of 13, 58, 63, 62 and 4. The percentages for each of them are 6.5%, 29.0%, 31.5%, 31.0% and 2.0%.

4.1.1.7 Income Level

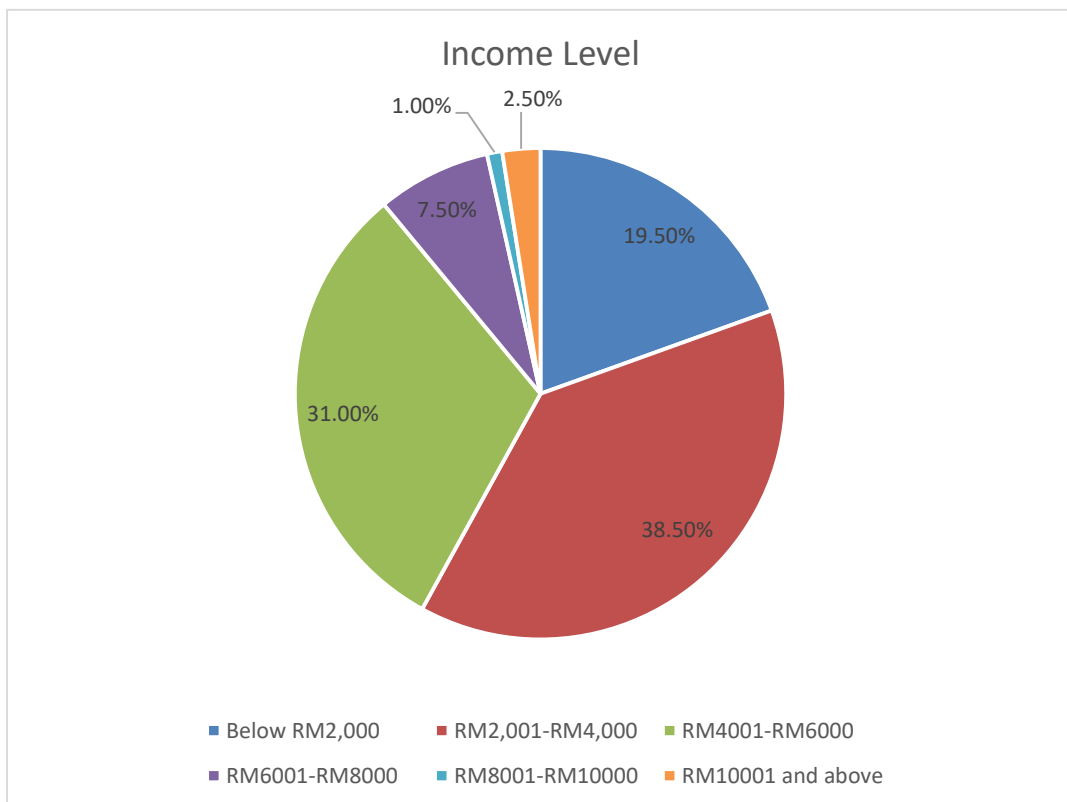
Table 4.7: Statistics of Respondent's Income Level

IL				
	Frequency	Percent	Valid Percent	Cumulative Percent

Valid	Below RM2000	39	19.5	19.5	19.5
	RM2001-RM4000	77	38.5	38.5	58.0
	RM4001-RM6000	62	31.0	31.0	89.0
	RM6001-RM8000	15	7.5	7.5	96.5
	RM8001- RM10000	2	1.0	1.0	97.5
	RM10001 and Above	5	2.5	2.5	100.0
	Total	200	100.0	100.0	

Source: Developed for the research

Figure 4.7: Statistic for Respondent's Income Level



Source: Developed for the research

There are six groups of income level which includes below RM2000, between RM2001-RM4000, RM4001-RM6000, RM6001-RM8000, RM8001-RM10000

and RM10001 and above. In the data collected, most of the respondent are come from the income group of RM2001-RM4000 and the income group between RM4001-RM6000, which are 38.5%, 77 out of 200 of the respondents and 31%, 62 out of 200 respondents respectively. For the minority, it is the income group of RM8001-RM10000 only 2 of the respondents and carries 1% of the percentage, which is the lowest. The second lowest falls at the income group of RM10001 and above which holds the frequency of 5 and carry 2.5% percent. For the income group of below RM2000 has the third highest frequency which is 39 out of 200 respondents, which holds 19.5%. While the third lowest falls to the income group of RM6001-RM8000, which is 15 respondents out of 200, which carry 7.5%.

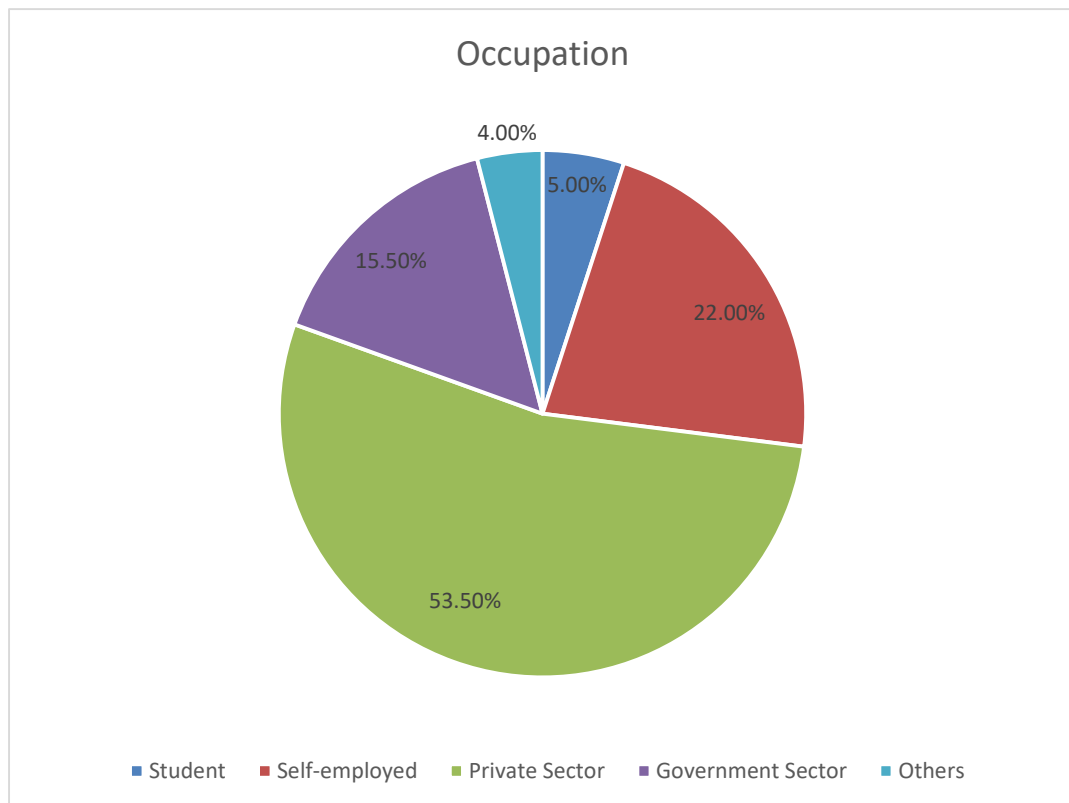
4.1.1.8 Occupation

Table 4.8: Statistics of Respondent's Occupation

OCC					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Student	10	5.0	5.0	5.0
	Self-employed	44	22.0	22.0	27.0
	Private Sector	107	53.5	53.5	80.5
	Government Sector	31	15.5	15.5	96.0
	Others	8	4.0	4.0	100.0
	Total	200	100.0	100.0	

Source: Developed for the research

Figure 4.8: Statistic for Respondent's Occupation



Source: Developed for the research

According to table 4.8 and figure 4.8, the occupation group divided into five categories, which is student, self-employed, private sector, government sector and the others. There are 53% of the respondents are work for private sector, which is 107 out of 200 of the respondents. For the second highest is self-employed, which holds 22% with the frequency of 44. The third highest occupation category which falls under the respondents who work in the government's sector, it consists of 15.5% which is 31 out of 200 respondents. For the lowest two categories, which are student and others, the percentages are 5% and 4% respectively with the frequency of 10 and 8 respondents.

4.1.2 Central Tendencies Measurement of Construct

4.1.2.1 Customer Satisfaction

Table 4.9: Descriptive Statistics of Customer Satisfaction

N	Statement	Mean	Standard Deviation
CS 1	Bbanking system provide by banks is exactly what I need.	3.62	0.861
CS 2	Bans presented accurate information to customer.	3.21	1.030
CS 3	Bank provides privacy policies.	3.75	0.996
CS 4	There are guarantees of all Banks.	2.97	0.969
CS 5	Bans provide breadth and depth customer service.	3.16	0.921
CS 6	The services provided by banks are satisfied.	3.21	0.752

Source: Developed for the research

CS: Customer Satisfaction

Table 4.9 shows CS 3 has the highest mean value of 3.75, which mean that CS 3 is the most agree by respondents. The second highest mean value is 3.62 which is CS 1, the third highest is CS 2 and C6 which have the same value of 3.21. The second lowest mean value is 3.16 which are CS 5 and the lowest goes to CS 4 which only have the mean value of 2.97.

For the standard deviation, the highest value is CS 2, which has the standard deviation value of 1.030, while the second highest standard deviation value is CS 3 with the value of 0.996. The third highest standard deviation value is 0.969 which is CS 4. The lowest standard deviation value is CS 6 with the value of 0.752. The second lowest is CS 1 which consists the standard deviation value of 0.861. The third lowest which is CS 5 with the standard deviation value of 0.921.

4.1.2.2 Tangibles

Table 4.10: Descriptive Statistics of Tangibles

N	Statement	Mean	Standard Deviation
TGB 1	The bank has modern-looking equipment (computers, fast ICT facilities, etc.).	3.05	1.434
TGB 2	Employees of main branch of bank are professionally dressed.	3.05	1.287
TGB 3	The interior and exterior of bank is visually appealing and spacious (comfort ability conditions, waiting queue chairs, audio-visual screen, public notice board, etc.).	2.85	1.427
TGB 4	Materials and equipment associated with the service (Computers, ATM Machine, Teller station, bank statement, pamphlets, etc.) are visually appealing.	3.40	1.203

Source: Developed for the research

TGB: Tangibles

Table 4.10 shows TGB 4 has the highest mean value of 3.40, which mean that TGB 4 is the most agree by respondents. TGB 1 and TGB 2 holding the same value of mean which is 3.05, is the second highest mean value. For the lowest mean value which is 2.85, which falls to TGB 3.

For the standard deviation, the highest value is TGB 1, which has the standard deviation value of 1.434, while the second highest standard deviation value is TGB 3 with the value of 1.427. The second lowest is TGB 2 which consists the

standard deviation value of 1.287. The lowest which is TGB 4 with the standard deviation value of 1.203.

4.1.2.3 Empathy

Table 4.11: Descriptive Statistics of Empathy

N	Statement	Mean	Standard Deviation
EPT 1	All employees of bank pass transactions in a caring manner.	2.85	1.427
EPT 2	The employees of bank have my best interests at heart when I'm asking for service.	2.80	1.330
EPT 3	The banks have convenient branches (sub branches/outlet) and operate in extended hours to all its customers without spending much time on long queues.	2.45	1.120
EPT 4	All employees of bank understand my specific needs with a specific attention.	2.70	1.349
EPT 5	Whenever I request for service, bank staff gives me individual attention.	3.40	1.203

Source: Developed for the research

EPT: Empathy

Table 4.11 shows EPT 5 has the highest mean value of 3.40, which mean that EPT 5 is the most agree by respondents. The second highest mean value is 2.85 which is EPT 1, the third highest is EPT 2 which has the value of 2.80. The second lowest mean value is 2.70 which are EPT 4 and the lowest goes to EPT 3 which only have the mean value of 2.45.

For the standard deviation, the highest value is EPT 1, which has the standard deviation value of 1.427, while the second highest standard deviation value is EPT 4 with the value of 1.349. The third highest standard deviation value is 1.330 which is EPT 2. The lowest standard deviation value is EPT 3 with the value of 1.120. The second lowest is EPT 5 which consists the standard deviation value of 1.203.

4.1.2.4 Reliability

Table 4.12: Descriptive Statistics of Reliability

N	Statement	Mean	Standard Deviation
RLB 1	The bank always keeps its promise to do something.	3.36	0.723
RLB 2	The bank is very dedicated to solve customer problems.	3.75	0.540
RLB 3	The bank is always on time to provide the service when needed.	3.30	0.783
RLB 4	The bank did not make any mistake when performing their services.	2.81	0.872
RLB 5	The bank billing system is accurate and does not have any mistake.	2.91	1.048

Source: Developed for the research

RLB: Reliability

Table 4.12 shows RLB 2 has the highest mean value of 3.75, which mean that RLB 2 is the most agree by respondents. The second highest mean value is 3.36 which is RLB 1, the third highest is RLB 3 which has the value of 3.30. The

second lowest mean value is 2.91 which are RLB 5 and the lowest goes to RLB 4 which only have the mean value of 2.81.

For the standard deviation, the highest value is RLB 5, which has the standard deviation value of 1.048, while the second highest standard deviation value is RLB 4 with the value of 0.872. The third highest standard deviation value is 0.783 which is RLB 3. The lowest standard deviation value is RLB 2 with the value of 0.540. The second lowest is RLB 1 which consists the standard deviation value of 0.723.

4.1.2.5 Responsiveness

Table 4.13: Descriptive Statistics of Responsiveness

N	Statement	Mean	Standard Deviation
RPS 1	The employee keep informed as to when service will be performed.	2.85	1.427
RPS 2	The service that provides to customers is fast and clear.	3.40	1.203
RPS 3	The service that provided by employees in bank are always ready to help customers.	3.05	1.434
RPS 4	The respond that provided by employees to customer is quick.	2.85	1.427
RPS 5	The employee is establishing customers' confidence.	2.90	1.224

Source: Developed for the research

RPS: Responsiveness

Table 4.13 shows RPS 2 has the highest mean value of 3.40, which mean that RPS 2 is the most agree by respondents. The second highest mean value is 3.05 which is RPS 3, the third highest is RPS 5 which has the value of 2.90. The lowest value of mean is 2.85, which both RPS 1 and RPS 4 have the same value of mean.

For the standard deviation, the highest value is RPS 3, which has the standard deviation value of 1.434, while the second highest standard deviation value is RPS 1 and RPS 4 which holds the same value of 1.434. The lowest standard deviation value is RPS 2 with the value of 1.203. The second lowest is RPS 5 which consists the standard deviation value of 1.224.

4.1.2.6 Assurance

Table 4.14: Descriptive Statistics of Assurance

N	Statement	Mean	Standard Deviation
ASR 1	The treatment received from employees was kind and polite.	3.21	0.980
ASR 2	The employees are profession and qualified.	3.50	0.593
ASR 3	The employees make client feel safe in their transaction.	3.60	0.972
ASR 4	The employees gain client's trust.	3.20	0.748
ASR 5	The employees able to answer client's question.	3.26	0.887

Source: Developed for the research

ASR: Assurance

Table 4.14 shows ASR 3 has the highest mean value of 3.60, which mean that ASR 3 is the most agree by respondents. The second highest mean value is 3.50 which is ASR 2, the third highest is ASR 5 which has the value of 3.26. The

second lowest mean value is 3.21 which are ASR 1 and the lowest goes to ASR 4 which only have the mean value of 3.20.

For the standard deviation, the highest value is ASR 1, which has the standard deviation value of 0.980, while the second highest standard deviation value is ASR 3 with the value of 0.972. The third highest standard deviation value is 0.887 which is ASR 5. The lowest standard deviation value is ASR 2 with the value of 0.593. The second lowest is ASR 4 which consists the standard deviation value of 0.748.

4.2 Pilot Test

50 sets of questionnaires were given to targeted respondents before carry out the real survey in order to conduct the pilot test. There is a feedback section for the targeted respondent to fill up the comment about the questionnaire in the last part of questionnaire in order to improve the measuring instruments quality and the accuracy.

Table 4.15: Pilot Test

Variable	Cronbach's Alpha
Customer Satisfaction	0.847
Tangibles	0.859
Empathy	0.818
Reliability	0.847
Responsiveness	0.943
Assurance	0.916

Source: Developed for the research

Table 4.15 shows all of the dependent and independent variables have the Cronbach's Alpha value exceeds 0.7. Thus, it indicates that the entire variable is accepted because of the reliability. The highest Cronbach's alpha value is 0.943, which is Responsiveness, while the second highest is 0.916 which has the Cronbach's Alpha value of 0.916. The third of the highest Cronbach's Alpha value is Tangibles with the value of 0.859. The two variables which have the same value of 0.847 are customer satisfaction and reliability, which is the second lowest. Lastly, the lowest value of Cronbach's Alpha is 0.818 which comes from the variable Empathy.

4.3 Cronbach's Alpha Reliability Test

4.3.1 Reliability Test

Reliability test is used to

Table 4.16

Rules of Thumb about Cronbach Alpha's coefficient sizes

Cronbach's Alpha	Internal Consistency
$\alpha \geq 0.9$	Excellent
$0.9 > \alpha \geq 0.8$	Good
$0.8 > \alpha \geq 0.7$	Acceptable
$0.7 > \alpha \geq 0.6$	Questionable
$0.6 > \alpha \geq 0.5$	Poor
$0.5 > \alpha$	Unacceptable

Source: Matkar, A (2012)

Table 4.17 Reliability Test

Variable	Cronbach's Alpha
Customer Satisfaction	0.782
Tangibles	0.856
Empathy	0.801
Reliability	0.748
Responsiveness	0.852
Assurance	0.792

Source: Developed for research

By using the SPSS to conduct the reliability test, the Cronbach's alpha for Tangibles, empathy and responsiveness are 0.856, 0.801 and 0.852 , which is between 0.80 and 0.90, it is consider as good in the reliability test. Moreover, for the remaining variables, which is customer satisfaction, reliability and assurance which the Cronbach's alpha value of 0.782, 0.748 and 0.792 which is between 0.70 and 0.80, it is consider as acceptable in the reliability test. As the result of all variables in the reliability test is acceptable, therefore, there is no independent question to be removed from the questionnaire for in order to process to the further analysis.

4.4 Pearson Correlation Analysis

Table 4.18 Rule of thumb

Size of Correlation	Interpretation
0.90 to 1.00 (-0.90 to -1.00)	Very high positive (negative) correlation

0.70 to 0.90 (-0.70 to -0.90)	High positive (negative) correlation
0.50 to 0.70 (-0.50 to -0.70)	Moderate positive (negative) correlation
0.30 to 0.50(-0.30 to -0.50)	Low positive (negative) correlation
0.00 to 0.30 (0.00 to -0.30)	Negligible correlation

Table 4.19 Correlations

Correlations							
		DV	IV1	IV2	IV3	IV4	IV5
DV	Pearson Correlation	1	.578**	.088	.685**	.600**	.721**
	Sig. (2-tailed)		.000	.217	.000	.000	.000
	N	200	200	200	200	200	200
IV1	Pearson Correlation	.578**	1	.143*	.401**	.292**	.671**
	Sig. (2-tailed)	.000		.044	.000	.000	.000
	N	200	200	200	200	200	200
IV2	Pearson Correlation	.088	.143*	1	.275**	.036	.263**
	Sig. (2-tailed)	.217	.044		.000	.610	.000
	N	200	200	200	200	200	200
IV3	Pearson Correlation	.685**	.401**	.275**	1	.628**	.565**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	200	200	200	200	200	200
IV4	Pearson	.600**	.292**	.036	.628**	1	.394**

CUSTOMER SATISFACTION LEVEL TOWARDS SERVICE QUALITY IN CREDIT CARDS:
IN THE URBAN AREA OF MALAYSIA
GROUP B25

	Correlation						
	Sig. (2-tailed)	.000	.000	.610	.000		.000
	N	200	200	200	200	200	200
IV5	Pearson Correlation	.721**	.671**	.263**	.565**	.394**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	200	200	200	200	200	200

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

* . Correlation is significant at the 0.05 level (2-tailed).

Where DV= Customer Satisfaction

IV1= Tangibles

IV2= Empathy

IV3= Reliability

IV4= Responsiveness

IV5= Assurance

Source: Developed For Research

From table 4.19, the result indicates that customer satisfaction and empathy has a correlation of $p=0.88$, which is the lowest from the 5 independent variables. It means that customer satisfaction and empathy has the lowest correlation. Moreover, customer satisfaction and Tangibles have the second lowest correlation with the value $p=0.578$ at significant level of 0.01. The correlation of customer satisfaction and responsiveness is the third highest with the value of $p=0.600$ in the significant level of 0.01 while customer satisfaction and reliability have the second highest correlation with the value of $p=0.685$ in the significant level of 0.01. The highest correlation which is customer satisfaction and assurance with the value of $p=0.721$ in the significant level of 0.01.

4.5 Multiple Regression Analysis

Table 4.20 Model Summary

Model	R	R Squared	Adjusted R squared	Std. Error of the Estimate
	0.835 ^a	0.698	0.690	0.39632

Source: Developed for the research

Table 4.20 show the model summary. The Adjusted R-square value is 0.690. This means that 69.0% of the variations of the customer satisfaction of Credit Card product in urban area of Malaysia can be explain by the tangibles, empathy, responsiveness, reliability and assurance. However, there is 31% of the variation cannot be explained in this research. For the result, it also concludes that there is other variable explained customer satisfaction of Credit Card product in urban area of Malaysia significantly. Therefore, the higher the adjusted square value, the more the model fits the data.

Table 4.21 ANOVA

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	70.306	5	14.061	89.521	.000 ^b
	Residual	30.472	194	.157		
	Total	100.778	199			
a. Dependent Variable: DV						

b. Predictors: (Constant), IV5, IV2, IV4, IV1, IV3

Source: Developed for the research

From table 4.21, the f-value is 0.000, which is lower than the significant level 0.05. Therefore, the conclusion is that the model is significant. All of the five independent variables can use to explain the variation of the dependent variable.

Table 4.22 Coefficient

Model		Unstandardized Coefficient		Standardized Coefficient	t	Sig.
		B	Std. Error	Beta		
	Constant	.888	.190		4.671	.000
	IV1	.125	.047	.141	2.651	.009
	IV2	-.106	.035	-.129	-3.054	.003
	IV3	.257	.050	.298	5.120	.000
	IV4	.133	.032	.217	4.183	.000
	IV5	.323	.048	.406	6.779	.000
Where DV= Customer Satisfaction IV1= Tangibles IV2= Empathy IV3= Reliability IV4= Responsiveness IV5= Assurance						

Source: Developed for the research

From table above, it shows the multiple regression tests. The above values is use to prove the relationship between customer satisfaction and the five independent variables. When the B value obtained under the under standardized coefficient is positive, it means that the relationship between the dependent variable and the independent variable is positive. From table 4.22, all of the independent variables

have positive relationship with the dependent variable, exclude of empathy with the B value of -0.106 which indicates negative relationship.

Based on the table, it shows that the independent variables are at the significant level of 0.05. The H_0 shows there is no significant relationship between the independent variable and the dependent variable. While for H_1 , it shows there is significant relationship between the independent variable and the dependent variable. The decision rule for the test is to reject H_0 when the p-value is less than 0.05, otherwise, do not reject H_0 .

Therefore, according to table 4.5.2, all the independent variables are significant as the p-value of them are 0.009, 0.003, 0.000, 0.000 and 0.000, which is all less than 0.05. Thus, H_0 should be rejected.

Table 4.23: Hypothesis Result

Hypothesis	P	result
1) H_{10} : There is no significant relationship between Tangibles and the Customer Satisfaction of Credit Card.	0.009	Significant
2) H_{20} : There is no significant relationship between Empathy and the Customer Satisfaction level of Credit Card.	0.003	Significant
3) H_{30} : There is no significant relationship between Reliability and the Customer Satisfaction level of Credit Card.	0.000	Significant

- | | | |
|---|-------|-------------|
| <p>4) H₄₀: There is no significant relationship between Responsiveness and the Customer Satisfaction level of Credit Card.</p> | 0.000 | Significant |
| <p>5) H₅₀: There is no significant relationship between Assurance and the Customer Satisfaction level of Credit Card.</p> | 0.000 | Significant |

Source: Developed for the research

Multiple Regression Equation

According to the table 4.52, the multiple regression equation is generating:

$$Y = C + \beta X_1 - \beta X_2 + \beta X_3 + \beta X_4 + \beta X_5$$

Where,

y = Customer Satisfaction

β = Unstandardized Coefficient

C = Constant Value

X₁ = Tangibles

X₂ = Empathy

X₃ = Reliability

X₄ = Responsiveness

X₅ = Assurance

$$\text{Customer Satisfaction} = 0.888 + 0.125 (\text{Tangibles}) - 0.106 (\text{Empathy}) + 0.257 (\text{Reliability}) + 0.133 (\text{Responsiveness}) + 0.323 (\text{Assurance})$$

According to the equation above:

1) Tangibles

Based on the multiple regressions above, the customer satisfaction will increase by 0.125 for every 1 unit increase in Tangibles, holding other variables constant.

2) Empathy

Based on the multiple regressions above, the customer satisfaction will decrease by 0.106 for every 1 unit increase in Empathy, holding other variables constant.

3) Reliability

Based on the multiple regressions above, the customer satisfaction will increase by 0.257 for every 1 unit increase in Reliability, holding other variables constant.

4) Responsiveness

Based on the multiple regressions above, the customer satisfaction will increase by 0.133 for every 1 unit increase in responsiveness, holding other variables constant.

5) Assurance

Based on the multiple regressions above, the customer satisfaction will increase by 0.323 for every 1 unit increase in Assurance, holding other variables constant.

4.6 Conclusion

In conclusion, data is use to analyze by using the descriptive analysis, pilot test, test for reliability, the Pearson's correlation analysis, the multiple regression analysis and the test for ANOVA. In next chapter, the major findings and conclusion of research will be discussed.

CHAPTEE 5: DISCUSSION, CONCLUSION AND IMPLICATION

5.0 Introduction

This chapter is to analyze and summary of the statistical analysis in the chapter 4. The discussion of major findings will refer to the relationships of customer satisfaction between all of the independent variable. By referring to the statistical analysis results in chapter 4, the implication and limitation of this study will be interpreted. Besides, there will have some recommendation toward the limitation.

5.1 Summary of Statistical Analysis

SPSS is used to analyze a total data of 200 sets which collected from the urban areas of Malaysia including Selangor, Johor and Sabah. SPSS is used to analyze and test the data that collected. There are two types of statistical analysis where one is descriptive analysis and the other is inferential analysis. The descriptive analysis is a study on respondents demographics' information includes of whether they own a Credit Card or not, the frequency of using Credit Card in a month, gender, age, marital status, race, in which states they stay, education level, income level, bank that issue the Credit Card and occupation. Besides, the inferential statistics are used to see the relationship between the dependent variables and all of the independent variables.

5.1.1 Summary of Descriptive Analysis

The descriptive analysis that been study on respondents' demographics' information such as gender, age, marital status, race, in which states they stay, education level, income level and occupation. There are 105 respondents of male and 95 respondents of female. This shows that there are more male respondents compare to female respondents. For age, most of the respondents are in 21 to 30 years old which have 67 respondents while only 14 respondents that are below 20 years old. There have 54 respondents between the age of 31 to 40 years old, 36 respondents between the age of 41 to 50 years old and 29 respondents with the age of 51 years old or and above.

Moreover, the marital status of the respondents from the 200 sets who are single are less than the respondents who are married and the other categories only have 5 respondents. Majority of the respondents in our study are Chinese then follow by Malay, India and others race. This which means our study had distributed the survey without racism. Most of the respondents are from the urban areas of Selangor in Malaysia, then Johor, Sabah and other state respectively. For the education level, there are few respondents from the primary school and master while most of the respondents are in the education of secondary school, diploma or A-levels or STPM or foundation and bachelor.

There are greatest percentages of respondents from income level are between RM 2001 to RM 4000 and between RM 4001 to RM 6000 while the lowest percentages are between RM 8001 to RM 10000 and RM 100001 and above. For the income level who are below RM 2000 have 39 respondents and between RM 6001 to RM 8000 15 respondents. Some of the respondents are not yet work just a student. The majority of the respondents in the occupation are private sector, than followed by self-employed, government sector and others occupation.

5.1.2 Summary of Inferential Analysis

By using the reliability test, the tangibles, empathy and responsiveness are 0.856, 0.801 and 0.852, respectively which is between 0.80 and 0.90 so it is consider as good in the reliability test. Moreover, the remaining of the variables such as customer satisfaction, reliability and assurance has the value of 0.782, 0.748 and 0.792, respectively. It is between 0.70 and 0.80, it is consider as acceptable in the reliability test.

5.1.2.1 Summary of Reliability Test

Table 5.1: Summary of Reliability Test

Variable	Cronbach's Alpha	Internal Consistency	Reliability
Customer Satisfaction	0.782	Acceptable	Yes
Tangibles	0.856	Good	Yes
Empathy	0.801	Good	Yes
Reliability	0.748	Acceptable	Yes
Responsiveness	0.852	Good	Yes
Assurance	0.792	Acceptable	Yes

Source: Developed for research

5.1.2.2 Pearson Correlation Analysis

Table 5.2: Pearson Correlation Analysis

Independent Variable	P-Value	Interpretation	Correlation
Tangibles	0.578	Moderate positive correlation	Yes

Empathy	0.088	Negligible correlation	No
Reliability	0.685	Moderate positive correlation	Yes
Responsiveness	0.600	Moderate positive correlation	Yes
Assurance	0.721	Hhigh positive correlation	Yes
Dependent variable = Customer Satisfaction			

Source: Developed for research

5.1.2.3 Multiple Regression Analysis

Table 5.3: Multiple Regression Analysis 1

Model	R	R Squared	Adjusted R squared	Std. Error of the Estimate
	0.835 ^a	0.698	0.690	0.39632

Source: Developed for research

The value of adjusted R-square is 0.69 which mean it indicates of 69% of the customer satisfaction of credit card product in urban area of Malaysia can be explain by the tangibles, empathy, responsiveness, reliability and assurance. However, there is 31% of the variation cannot be explained in this research such as rewards.

Besides, the f-value is 0.000 lower than the significant level 0.05. Therefore, the model is significant and all of the five independent variables which are tangibles, empathy, responsiveness, reliability and assurance can use to explain the variation of the dependent variable.

Multiple Regression Equation:

$$\text{Customer Satisfaction} = 0.888 + 0.125 (\text{Tangibles}) - 0.106 (\text{Empathy}) + 0.257 (\text{Reliability}) + 0.133 (\text{Responsiveness}) + 0.323 (\text{Assurance})$$

Table 5.4: Multiple Regression Analysis 2

Independent Variable	Relationship	Significant Value	Reject or Do Not Reject	Significant
Tangibles	Positive	0.009	Reject	Yes
Empathy	Negative	0.003	Reject	Yes
Reliability	Positive	0.000	Reject	Yes
Responsiveness	Positive	0.000	Reject	Yes
Assurance	Positive	0.000	Reject	Yes
At significant level of $\alpha = 0.05$				

Source: Developed for research

5.2 Discussion of Major Findings

Hypothesis	
H1: There is a significant relationship between tangible and customer satisfaction.	Positive relationship
H2: There is a significant relationship between empathy and customer satisfaction	Negative relationship
H3: There is a significant relationship between reliability and customer satisfaction	Positive relationship
H4: There is a significant relationship between responsiveness and customer satisfaction	Positive relationship
H5: There is a significant relationship between assurance and customer satisfaction	Positive relationship

Table 5.5: Significant Table

5.2.1 Relationship between tangible and customer satisfaction

According to chapter 4, the result showed there are a positive significant relationship between tangible and customer satisfaction. What the research shown that, there is constant with the result of previous researchers. According to the researchers Yulisetiari (2014), Bharwana Bashir and Mohsin (2013) they had figure out the dimension of tangible has important relationship with satisfaction of customer. Researches Goh, Kow, Lee, Loh and Sam (2013) had found out there is a positive relationship between tangible and customer satisfaction. Thus, tangible can conclude as one of the vital independent variable that has an impact on the customer satisfaction level on credit card.

5.2.2 Relationship between empathy and customer satisfaction

According to chapter 4, the relation between empathy and customer satisfaction has a p-value of 0.003. The p-value is lower than 0.05 shows that there is a significant relationship between empathy and customer satisfaction. Besides, there is a negative relationship between empathy and customer satisfaction and the beta of empathy is -0.106. This means that increase in empathy will decrease 0.323 of customer satisfaction, holding other variables constant. The result of this research is inconsistent with the result of the researcher found that there might be less significant or no significant relationship between customer satisfactions toward empathy (Brendan E. Asogwa, 2014). According to Wieseke, Geigenmuller and Kraus (2014) stated that the lower the customer empathy, the higher the effect size of customer satisfaction the customer loyalty increases; there are negative effects of satisfaction of customer.

5.2.3 Relationship between reliability and customer satisfaction

In this research, the relation between reliability and customer satisfaction has a p-value of 0.000. The p-value is less than the alpha value 0.05 shows that the significant relationship between the customer satisfaction and reliability had found. The results show the reliability is positively affect customer satisfaction on credit card. It was also showed that customer satisfaction level of credit card has a strong relationship with reliability.(Vuong, 2014). Other than that, the research shows that the result for reliability has a 0.855 correlation. It also has a coefficient of 0.124 in their research which showed a positive relationship between reliability and customer satisfaction on credit card (Goh, Kow, Lee, Loh and Sam 2013).

5.2.4 Relationship between responsiveness and customer satisfaction

According results shown in chapter 4, p-value of the relationship between responsiveness and customer satisfaction is 0.000 which is lower than the alpha of value of 0.05. There are a significant relationship between customer satisfaction and responsiveness. However, the result obtained from chapter 4 has mentioned that a positive relationship between customer satisfaction and responsiveness had found. The research is consistent with Bilika, Safari, & Mansori, (2016), Saghier & Nathan, (2013) and Selvakumar, (2015) that responsiveness and customer satisfaction have positively significant relationship. Thus, the higher responsiveness, the higher the customer satisfaction.

5.2.5 Relationship between assurance and customer satisfaction

In this study, the relationship between the assurance and customer satisfaction has a p-value of 0.000. The p-value lowers than 0.05 indicates that the relationship between the assurance and customer satisfaction is significant. Besides, there is a positive relationship between assurance and customer satisfaction and the beta of assurance is 0.323. This means that increase in assurance will rise 0.323 of

customer satisfaction, holding other variables constant. The results also tally with the previous studies by Bilika, Safari and Mansar (2016) and Shanka (2012). But it is inconsistent with Rahman, Hasan and Mia (2017) found that assurance have a negative relationship with customer satisfaction as shown by coefficient value of -0.081 with the significance level of 0.355 on their research.

5.3 Implications of Study

Independent variables that have the relationship between customer satisfaction and services quality on credit card had been examined in this research. Where, the independent variables are tangible, empathy, reliability, responsiveness, and assurance which shown a significant relationship with the customer satisfaction. According to the findings, comparison between the independent variables which is the five dimension services quality and the customer satisfaction had been carried out. This research use to ensure what the customer needs and wants and help bank to be more integrate in meeting customer's needs and wants. Therefore, the five dimensions of services quality were very important to help bank bring their customer satisfaction to the higher level and help bank operation become more effective and efficiency. There are several parties will be benefit by implementing the knowledge gain in this study.

5.3.1 Managerial Implication

The most significant dimension services quality in the bank is assurance. So bank should focus on it to gain their customer satisfaction. Most of the customer had worry about the credit card fraud, interest charge, limit amount of the credit card, complicated procedures, mistake and etc. So if the bank with assurance, their customer will feel safe and they will feel relieved and trust bank in applying and

using the credit card of the bank. The bank have to provide assurance in services quality by convey confidence in manage credit card serviced and customer property. Besides, a bank with a sound assurance services quality it help a lot on the customer satisfaction so the assurance quality services deliver by the bank is most important.

Moreover, responsiveness is also a significant dimension services quality, so bank should focus on it to gain their customer satisfaction. A bank with a quick or good responsiveness can make their customer have a feeling of they are vital to the bank and feel the existence of themselves. For the example, when customer call the bank for customer services it take more than 10 minutes to answer the call. These cases will lose bank's customer satisfaction. Hence, bank should care line service and give a special attention to their customer toward maintain their customer priority be loyal to bank. Therefore, a bank with conscious responsiveness in services quality might help to raise the customer satisfaction. The way to improve the customer satisfaction in responsiveness is bank employee should provide prompt services service to customer and always assist their customer although they are busy and never ignore any customer.

Furthermore, empathy has a significant relationship with customer satisfaction too but has a negative effect on customer satisfaction. So bank have to less focus on empathy. The reason of the negative effect might be people nowadays they are less focus on the empathy on employee. Even though the employee treated the customer as a special guest and take care of their needs and wants but customer will feel like that is still not enough to them. Customer request for more even the employee had work hard on it. The example of empathy is employee given individual attention to their customer they hope that they can help them in decision making but customer is still not satisfied. Thus, the caring empathy services quality is part of empathy. For the empathy the higher the empathy the lower the customer satisfaction.

Additionally, the reliability and had significant relationship with customer satisfaction, so bank have to focus on it to improve the customer satisfaction of bank. A bank which intent to increase the customer satisfaction must have strong reliability where customer can trustworthy on the pledge of the bank and uses the services that provided by bank with confident. Besides, annual report of the bank,

a strict record and private document will increase the reliability of bank customer in the services of the bank supplied. Hence, the bank has to improve the reliability in their services quality for bank customer to improve the customer satisfaction.

Last but not least, the tangible also quite important for a bank. Tangible is a physical facilities, stereo-graphic facility, equipment and the dressing physical looking of employee and management group, communication materials and etc. A bank with a complete tangible so that customer can make the transaction and payment easily and faster by using the facilities that had provided by bank. Full facilities have much advantage to bank and customer. For example, bank customer can save their time while making payment and transaction instead of wasting time for queuing up in the bank they can do the payment online. Besides, with tangibility it has to provide comfort ability conditions, comfortable waiting queue chair, clean environment and etc. to customer. The facilities can help the bank in order to save cost and time. It is because of the facilities such as ATM machine and banking online system can let customer make credit card payment by themselves so that bank can reduce the staff to save cost. Therefore, an accomplished tangible in services quality might gain customer satisfaction. Hence, to keep customer satisfaction, bank has to try to be better on the tangible in the services quality.

The bank has to improve the five dimension services quality to improve the customer satisfaction. Once the customer satisfaction become low bank might lose the customer and the reputation of the bank will become bad. Once the reputation of bank becomes bad, bank need to use long period of time to improve it and bank need to do something to recover the reputation.

5.4 Limitations of the study

Limitations can be defines as occurrences and matters that might appear in the research and it will influenced or impacted the final result of the study research. Means that, no matter how well the research flow is planned, it will impossible to

free from the limitations. From the beginning to end of the research, there are several limitation exist in this thesis.

One of the limitations in this research is only focus on top 3 populations of the urban areas in Malaysia which are Johor, Selangor and Sabah. The population of these areas is approximately within 3 to 5 million of people for each state. Nevertheless, there are still have others state such as Penang, Perak and Kedah were no taken into account. This research has conducted less than half of total population in Malaysia and this cause the result become bias since the sample size of this study does not indicate the whole population in Malaysia.

In addition, this research does not study the customer satisfaction on credit card in rural areas in Malaysia hence the population of urban areas is increasing over the years but the population of rural areas is decreasing. Immigrating may be one of the reason that affect the increasing of population of urban areas and decreasing the population of the rural areas since urban areas having higher employment, more safer from crime, better service provision and better standard living. However, there are still have a portion of people who live in rural areas and the perception and view from customer in rural areas about credit card is also important to this research.

Furthermore, number of country focus in this research is also one of the limitations in this research. This research is only conducted in Malaysia. As a consequence, the result of this study only represents the customer satisfaction of credit card in Malaysia. Consequently, this research has less benefit to the foreigners. So that, the further research on other countries is also important.

Other than that, this research are using are using 5 factors including tangible, empathy, reliability, responsiveness and assurance as independent variables to determine the relationship with it dependent variable which is customer satisfaction. Yet, these 5 factors might be insufficient to define the customer

satisfaction toward credit card accurately since insufficient of will influence the model become imperfect and also affect the final result of the research.

5.5 Recommendation of Future Study

According to the limitations of study, here is some recommendation to overcome the problems for researchers that are interested for future study in the similar topic.

For the first limitation is that past researchers have slightly difference result with these studies. In this research, empathy has negative significant relationship with customer satisfaction, but from the past research of Bilika, Safari and Mansori (2016) and Shanka (2012) also proved that Empathy has positive significant relationship with customer satisfaction. Therefore, it is recommended to future researchers that the variable Empathy should be a concern in studying customer satisfaction, and future researches can confirm its position whether which of the studies are relevant or irrelevant.

Moreover, the second limitation for this research is that the study only focuses on 3 states of Malaysia, which are Selangor, Johor and Sabah. These area are chosen is because they have most largest population among the whole Malaysia, but there are limited because the study is only conduct within these three states, it cannot represent the customer's behavior of the whole Malaysia. For the recommendation, future researchers may get sponsor from the government to future study the similar research using data from all states of Malaysia.

Besides, the research is only concern to the customer's satisfaction of urban level. The customer satisfaction level maybe varies between urban and rural area, as Credit cards are so common in urban area but not rural area. For the

recommendation, future researchers can try to conduct the related study on the rural area to study the customer's behavior regarding to customer satisfaction.

Lastly, in this research, only use 5 factors including Tangibles, Empathy, Reliability, Responsiveness and Assurance to define the relation between these 5 variables with the customer satisfaction. In the result of Chapter 4, by looking at the adjusted R-square, the result shows that there are other variables may affect the studies of this research. For the recommendation, future researches can figure out the other variables would also affect the customer satisfaction and conduct research in the related study.

5.6 Conclusion

After conducting the survey and obtain the data from the 200 respondents. There are a lot of tests that are used to examine the relationship of the dependent variable which is customer satisfaction and the 5 independent variables which are tangibles, empathy, reliability, responsiveness and assurance.

As Conclusion, the higher the tangibles, the higher the customer satisfaction towards credit card. It means that customer preferred employees are professionally dressed, interior and external of the bank are spacious, facilities are good and the materials like ATM, bank statement are visually appealing.

Moreover, the lower the empathy, the higher the customer satisfaction towards credit card, the customers is not so focus about the empathy. It is because of the test result shows the negative significant relationship. It means that when empathy decrease and customer satisfaction will increase.

The third independent variable reliability. The higher the reliability, the higher the customer satisfaction towards credit card. It means that customer prefer the bank that always do what it promised. Furthermore, in reliability, the bank should provide service on time and customer hopes that bank can be accurate as possible and minimize the mistake. Therefore, if the bank achieves the above criteria on reliability, it will increase the customer satisfaction level.

Besides, from this research, responsiveness and customer satisfaction have positive significant relationship. The higher the responsiveness, the higher the customer satisfaction. It means that customer prefers responsiveness in order to increase their satisfaction. The criteria of responsiveness are respond is quick and the services provide to customer is fast and clear. If the bank meets these criteria on responsiveness, for sure the credit card applicant will increase.

Last but not least, assurance also plays and important roles in order to enhance the customer satisfaction. As the test result shows that assurance and customer satisfaction have positive significant relationship. The increase in assurance will lead to the increase in customer satisfaction. The condition of being assurance is that the bank makes customer feel safe and professional. If there is trust of customer, sure customer will feel safe in the transaction make to the bank.

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Appendix

 **UNIVERSITI TUNKU ABDUL RAHMAN**
Wholly Owned by UTAR Education Foundation (Company No. 978227-M)

8th January 2018

To Whom It May Concern

Dear Sir/Madam,

Permission to Conduct Survey

This is to confirm that the following students are currently pursuing their *Bachelor Of Finance (Honx)* program at the Faculty of Business and Finance, Universiti Tunku Abdul Rahman (UTAR) Perak Campus.

I would be most grateful if you could assist them by allowing them to conduct their research at your institution. All information collected will be kept confidential and used only for academic purposes.

The students are as follows:

<u>Name of Student</u>	<u>Student ID</u>
Chew Wen Jing	15ABB01237
Leong Joon Sang	14ABB05673
Melanie Saw Qian Nee	13ABB02990
Ng Pei Qi	13ABB02572
Siew Gao Sheng	13ABB05675

If you need further verification, please do not hesitate to contact me.

Thank you.

Yours sincerely,



Ms Kuah Yoke Chin
Head of Department
Faculty of Business and Finance
Email: kuahyc@utar.edu.my



Puan Noor Azizah binti Shaari
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Postal Address: PO Box 11348, 50744 Kuala Lumpur, Malaysia
Website: www.utar.edu.my

Appendix 1.0: Permission letter of survey question distribution

Payment Instruments

M/RM bil	Credit card		Charge card		Debit card		E-money	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value
2005	184.6	40.9	6.3	2.2	2.1	0.3	365.6	1.0
2006	208.8	47.6	6.0	2.3	4.2	0.6	517.0	1.3
2007	237.7	56.2	5.6	2.4	9.1	1.1	613.1	1.6
2008	261.4	65.3	5.6	3.1	10.7	2.0	688.6	2.1
2009	276.1	69.3	5.0	3.8	11.3	2.8	717.2	2.2
2010	294.9	79.8	4.7	4.7	18.3	4.7	699.3	2.7
2011	316.9	88.8	3.9	5.4	25.1	6.3	804.8	3.5
2012	325.3	94.1	4.1	6.5	36.0	8.6	923.0	4.2
2013	332.4	99.7	4.0	7.2	49.4	11.5	1,048.0	4.9
2014	345.7	105.5	4.4	8.6	68.7	14.8	1,175.0	5.3
2015	359.6	112.7	4.2	8.9	90.1	20.0	1,384.7	6.0
2016	383.8	118.5	4.1	9.7	107.5	22.5	1,663.2	7.7
2017	406.5	125.6	4.7	11.0	162.1	29.8	1,861.2	9.1
Jan-16	32.6	10.3	0.3	0.8	8.0	1.9	129.8	0.6
Feb-16	29.9	8.8	0.3	0.7	7.7	1.8	123.2	0.6
Mar-16	31.5	9.9	0.4	0.9	8.8	2.0	141.4	0.6
Apr-16	30.4	9.4	0.3	0.8	8.4	1.8	134.8	0.6
May-16	32.3	9.9	0.4	0.8	8.6	1.8	139.6	0.6
Jun-16	31.4	9.8	0.3	0.8	8.7	1.8	137.1	0.6
Jul-16	31.4	9.5	0.3	0.7	8.7	1.7	139.9	0.7
Aug-16	32.6	9.9	0.4	0.9	8.8	1.7	144.1	0.6
Sep-16	31.5	9.6	0.3	0.8	9.1	1.9	138.0	0.6
Oct-16	32.5	9.9	0.4	0.9	9.9	2.0	143.5	0.7
Nov-16	32.2	10.1	0.4	0.8	9.6	2.0	141.7	0.7
Dec-16	35.5	11.5	0.3	0.9	11.1	2.2	150.2	0.7
Jan-17	34.7	10.7	0.3	0.9	11.0	2.2	143.1	0.7
Feb-17	29.3	8.9	0.3	0.8	9.7	1.9	130.2	0.6
Mar-17	32.6	10.4	0.4	0.9	12.0	2.3	152.2	0.7
Apr-17	31.7	9.7	0.4	0.8	12.0	2.2	146.1	0.7
May-17	34.2	10.5	0.4	0.9	12.6	2.4	154.9	0.8
Jun-17	33.1	10.1	0.4	0.9	13.7	2.6	149.6	0.8
Jul-17	33.6	10.2	0.4	0.9	13.4	2.4	165.4	0.8
Aug-17	34.7	10.6	0.4	1.0	14.4	2.6	168.4	0.8
Sep-17	33.8	10.3	0.4	0.9	14.0	2.5	154.2	0.8
Oct-17	35.3	10.7	0.4	1.0	15.8	2.8	166.3	0.8
Nov-17	35.2	11.1	0.4	1.0	15.5	2.7	163.6	0.8
Dec-17	38.2	12.2	0.4	0.9	18.1	3.2	167.2	0.9

Appendix 2.0: Volume and payment of transaction of credit card

'000	Credit Card				
	Total	Principal	Supplementary	Cards Applied ¹	Cards Approved ¹
2005	7,815.5	6,620.4	1,195.1	5,008.9	2,645.8
2006	8,833.0	7,710.1	1,122.9	5,214.2	2,606.2
2007	9,901.3	8,721.3	1,179.9	5,566.9	2,764.1
2008	10,812.4	9,570.7	1,241.7	5,738.6	2,712.2
2009	10,817.6	9,574.6	1,243.0	4,829.2	2,308.0
2010	8,547.2	7,525.1	1,022.1	2,364.7	1,302.6
2011	8,281.1	7,396.1	885.1	2,498.0	1,226.9
2012	8,150.0	7,268.9	881.2	2,617.4	1,235.3
2013	8,127.5	7,249.8	877.7	2,812.2	1,239.1
2014	8,048.4	7,121.4	927.0	2,782.2	1,240.4
2015	8,612.0	7,676.6	935.4	3,978.9	1,807.1
2016	9,178.5	8,179.2	999.2	4,537.8	1,880.8
2017	9,861.2	8,802.1	1,059.1	386.8	165.8

Appendix 3.0: Number of cards and users of credit cards.



**FACULTY OF BUSINESS AND
FINANCE**

BACHELOR OF FINANCE (HONS)

FINAL YEAR PROJECT

SURVEY QUESTIONNAIRE

Dear Respondent(s),

We are final year undergraduate students who currently pursuing Bachelor of Finance (HONS) at Universiti Tunku Abdul Rahman. We are required to conduct a survey regarding the customer satisfaction level toward service quality in credit card: study in urban area of Malaysia. All information will be kept private and confidential. Please answer all the questions provided by following the instructions given. Your cooperation is much appreciated.

Instructions:

- 1) There are TWO (2) sections in this questionnaire. Please answer ALL questions in ALL sections.

Section A: Demographic Profile

Section B: Customer satisfaction level regarding to the credit card in Perak, Malaysia

- 2) It will only take you approximately 5 to 10 minutes to complete this questionnaire.

- 3) All information will be kept private and confidential.

Group Members:

	Student ID	Name
1.	15ABB01237	CHEW WEN JING
2.	14ABB05673	LEONG JOON SANG
3.	13ABB02990	MELANIE SAW QIAN NEE
4.	13ABB02572	NG PEI QI
5.	13ABB05675	SIEW GAO SHENG

Section A

Demographic Profile

Please mark (/) on one appropriate answer in the box provided.

1. Gender

☐ Male

☐ Female

2. Age

☐ Below 20 years old

☐ 21 to 30 years old

☐ 31 to 40 years old

☐ 41 to 50 years old

☐ 51 years old and above

3. Marital Status

☐ Single

☐ Married

☐ Others

4. Race

☐ Malay

☐ Chinese

☐ Indian

☐ Others:

5. State

☐ Johor

☐ Selangor

☐ Sabah

☐ Others:

6. Education Level

☐ Primary School

☐ Secondary School

☐ Diploma / A-Levels / STPM / Foundation

☐ Bachelor

☐ Master

☐ PhD

7. Income Level

☐ Below RM2000

☐ RM2001 – RM4000

☐ RM4001 – RM6000

☐ RM6001 – RM8000

☐ RM8001 – RM10000

☐ RM10000 and above

8. Occupation

☐ Student

☐ Self-employed

☐ Private sector

☐ Government sector

☐ Others:

Section B

The statements below are related to the **customer satisfaction level toward service quality in credit card: study in urban area of Malaysia.** Please indicate how strongly you agree or disagree with the statements. The five point scale, anchored on “Strongly agree” to “Strongly disagree”.

Strongly Disagree	Disagree	Neutral	Agree			Strongly Agree	
1	2	3	4			5	
Customer satisfaction			SD	D	N	A	SA
1. Banking system provide by banks is exactly what I need.			1	2	3	4	5
2. Banks presented accurate information to customer.			1	2	3	4	5
3. Bank provides privacy policies.			1	2	3	4	5
4. There are guarantees of all Banks.			1	2	3	4	5
5. Banks provide breadth and depth customer service.			1	2	3	4	5
6. The services provided by banks is satisfied.			1	2	3	4	5

CUSTOMER SATISFACTION LEVEL TOWARDS SERVICE QUALITY IN CREDIT CARDS:
IN THE URBAN AREA OF MALAYSIA
GROUP B25

Tangibles	SD	D	N	A	SA
1. The bank has modern-looking equipment (computers, fast ICT facilities, etc.).	1	2	3	4	5
2. Employees of main branch of bank are professionally dressed.	1	2	3	4	5
3. The interior and exterior of bank is visually appealing and spacious (comfort ability conditions, waiting queue chairs, audio-visual screen, public notice board, etc.).	1	2	3	4	5
4. Materials and equipment associated with the service (Computers, ATM Machine, Teller station, bank statement, pamphlets, etc.) are visually appealing.	1	2	3	4	5

Empathy	SD	D	N	A	SA
1. All employees of bank pass transactions in a caring manner.	1	2	3	4	5
2. The employees of bank have my best interests at heart when I'm asking for service.	1	2	3	4	5
3. The banks have convenient branches (sub branches/outlet) and operate in extended hours to all its customers without spending much time on long queues.	1	2	3	4	5
4. All employees of bank understand my specific needs with a specific attention.	1	2	3	4	5
5. Whenever I request for service, bank staff gives me individual attention.	1	2	3	4	5

CUSTOMER SATISFACTION LEVEL TOWARDS SERVICE QUALITY IN CREDIT CARDS:
IN THE URBAN AREA OF MALAYSIA
GROUP B25

Reliability	SD	D	N	A	SA
1. The bank always keeps its promise to do something.	1	2	3	4	5
2. The bank is very dedicated to solve customer problems.	1	2	3	4	5
3. The bank is always on time to provide the service when needed.	1	2	3	4	5
4. The bank did not make any mistake when performing their services.	1	2	3	4	5
5. The bank billing system is accurate and does not have any mistake.	1	2	3	4	5

Responsiveness	SD	D	N	A	SA
1. The employee keep informed as to when service will be performed.	1	2	3	4	5
2. The service that provides to customers is fast and clear.	1	2	3	4	5
3. The service that provided by employees in bank are always ready to help customers.	1	2	3	4	5
4. The respond that provided by employees to customer is quick.	1	2	3	4	5
5. The employee is establishing customers' confidence.	1	2	3	4	5

CUSTOMER SATISFACTION LEVEL TOWARDS SERVICE QUALITY IN CREDIT CARDS:
IN THE URBAN AREA OF MALAYSIA
GROUP B25

Assurance	SD	D	N	A	SA
1. The treatment received from employees was kind and polite.	1	2	3	4	5
2. The employees are profession and qualified.	1	2	3	4	5
3. The employees make client feel safe in their transaction.	1	2	3	4	5
4. The employees gain client's trust.	1	2	3	4	5
5. The employees able to answer client's question.	1	2	3	4	5

Comment: _____