THE RELATIONSHIP BETWEEN CUSTOMER SATISFACTION, BRAND IMAGE AND CUSTOMER LOYALTY FROM THE PERSPECTIVE OF PROTON'S CUSTOMERS

Yeoh Hooi Chin (VIVIAN)

A thesis submitted in fulfillment of the requirement for the award of the degree of Master of Management (Technology)

Faculty of Management and Human Resources Development
Universiti Teknologi Malaysia

APRIL 2010
To my beloved parents,

Sister

&

Friends,

Thanks for your support....
ACKNOWLEDGEMENT

First of all, I would like to take this opportunity to express my gratitude to my supervisor Mr Ahmad Jusoh and FPPSM’s lecturers for giving me the guidelines needed to make this project a reality. Without the guidelines given, I would not have completed my report as smoothly as I plan to.

I would also like to express my gratitude to all the employees of 3S Platinum Sales and Service Centre whose were kind enough to help me distributed my survey form to their customers during working hours.

Special thanks are due to my friends who had providing me encouragement, motivation and support, either directly or indirectly.

Finally, I wish to acknowledge my parents with great respect. Their love, encouragement, support and sacrificed giving themselves have been exemplary, who have been always concerning my education and giving me various supports in succeeding this research.
ABSTRACT

The objective of this study was to determine the relationship between the customer satisfaction (perceived product quality, perceived service quality, and perceived price fairness) and customer loyalty in order to identify whether perceived product quality, perceived service quality, and perceived price fairness have any significance effect on the loyalty of customers. In addition, the moderating effect of brand image on the relationship of customer satisfaction and customer loyalty also had been investigated to see if there were any significance effect on the relationship to different levels of brand image. Questionnaire was the main instrument for this study. The data obtained were analyzed using multiple regression and hierarchical multiple regression analysis. The findings from this study showed that only the perceived product quality and perceived price fairness have significance effect on the loyalty of customers. In other words, customers will continue loyal or retain to Proton if they satisfy with the price and quality of automobile. This study also revealed that the brand image serves as a moderator in affecting the relationship between customer satisfaction and loyalty.
ABSTRAK

Kajian ini dijalankan bertujuan untuk mengkaji hubungan antara kepuasan pelanggan (kualiti produk, kualiti perkhidmatan dan keadilan harga yang diterima) dan kesetiaan pelanggan bagi menentukan samaada kualiti produk, kualiti perkhidmatan dan keadilan harga yang diterima mempunyai pengaruh yang bermaksud terhadap kesetiaan pelanggan atau tidak. Selain itu, kesan moderator citra jenama terhadap hubungan kepuasan pelanggan dan kesetiaan pelanggan juga disiasatkan untuk mengenalpasti kepengaruhannya terhadap hubungan tersebut daripada tahap citra jenama yang berbeza. Borang soal selidik merupakan instrumen utama dalam kajian ini. Data yang diperolehi dari borang soal selidik akan dianalisis dengan menggunakan kaedah analisis regresi berganda dan analisis regresi berganda hierarki. Hasil kajian ini menunjukkan bahawa hanya kualiti produk dan keadilan harga yang diterima mempunyai pengaruh yang bermaksud terhadap kesetiaan pelanggan. Dengan kata lain, pelanggan akan terus setia atau setai kepada produk Proton jika mereka berpuas hati dengan harga dan kualiti kendaraan bermotor tersebut. Di samping itu, hasil kajian ini juga menunjukkan bahawa citra jenama berfungsi sebagai moderator dalam mempengaruhi hubungan antara kepuasan dan kesetiaan pelanggan.
## CONTENTS

<table>
<thead>
<tr>
<th>CHAPTER</th>
<th>ITEM</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>TITLE</td>
<td>i</td>
<td></td>
</tr>
<tr>
<td>ADMISSION</td>
<td>ii</td>
<td></td>
</tr>
<tr>
<td>DEDICATION</td>
<td>iii</td>
<td></td>
</tr>
<tr>
<td>ACKNOWLEDGEMENTS</td>
<td>iv</td>
<td></td>
</tr>
<tr>
<td>ABSTRACT</td>
<td>v</td>
<td></td>
</tr>
<tr>
<td>ABSTRAK</td>
<td>vi</td>
<td></td>
</tr>
<tr>
<td>CONTENTS</td>
<td>vii</td>
<td></td>
</tr>
<tr>
<td>LIST OF TABLES</td>
<td>xi</td>
<td></td>
</tr>
<tr>
<td>LIST OF FIGURES</td>
<td>xiii</td>
<td></td>
</tr>
<tr>
<td>LIST OF ABBREVIATIONS</td>
<td>xiv</td>
<td></td>
</tr>
<tr>
<td>LIST OF APPENDICES</td>
<td>xv</td>
<td></td>
</tr>
</tbody>
</table>

## CHAPTER I  INTRODUCTION

1.1 Introduction 1
1.2 Background of Study 2
1.3 Statement of Problem 4
1.4 Purpose of Study 6
1.5 Objective of Study 7
1.6 Significant of Study 7
1.7 Scope of Study 8
1.8 Limitation of Study 9
CHAPTER II  LITERATURE REVIEW

2.1 Introduction  12
2.2 Concept of Customer Satisfaction  13
   2.2.1 Measurement of Customer Satisfaction  14
      2.2.1.1 Dimensions of Perceived Product Quality  15
      2.2.1.2 Dimensions of Perceived Service Quality  18
      2.2.1.3 Dimensions of Perceived Service Quality  23
2.3 Brand Image  24
2.4 Customer Loyalty  25
2.5 Previous Study  28
2.6 Summary  34

CHAPTER III  METHODOLOGY

3.1 Introduction  35
3.2 Research Design  36
3.3 Conceptual Framework  36
3.4 Research Hypothesis  37
3.5 Population and sample  38
3.6 Data collection method  38
CHAPTER IV STUDY ANALYSIS

4.1 Introduction 47
4.2 Response rate 48
4.3 Normality test 48
4.4 Reliability Analysis 49
4.5 Descriptive data 50
  4.5.1 Demography of respondent 50
    4.5.1.1 Gender 50
    4.5.1.2 Age 51
    4.5.1.3 Ethnicity 51
    4.5.1.4 Monthly Income 52
    4.5.1.5 Education level 53
4.6 Analysis on the Multiple Regression 53
  4.6.1 Objective One 55
4.7 Analysis on Hierarchical Multiple Regression 55
  4.7.1 Objective Two 57
CHAPTER V  DISCUSSION AND CONCLUSION

5.1 Introduction 60
5.2 Discussion on Finding 60
   5.2.1 The Relationship between the Customer Satisfaction and Customer Loyalty 61
      5.2.1.1 The Relationship between the Perceived Product Quality and Customer Loyalty 61
      5.2.1.2 The Relationship between the Perceived Service Quality and Customer Loyalty 62
      5.2.1.3 The Relationship between the Perceived Price Fairness and Customer Loyalty 63
   5.2.2 The moderating effect of brand image on the Relationship of Customer Satisfaction and Customer Loyalty 63
5.3 Revised Conceptual Framework of the Relationship among Customer Satisfaction, Brand Image and Customer Loyalty 64
5.4 Recommendations 65
   5.4.1 Recommendations to automobile manufacturer 65
   5.4.2 Recommendations to the future researcher 66
5.5 Conclusion of the Study 67

REFERENCES 68

APPENDICES 76
# LIST OF TABLES

<table>
<thead>
<tr>
<th>TABLE NO.</th>
<th>TITLE</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>MAA Vehicle Sales, Market Share and Ranking Summary for Passenger cars &amp; Commercial Vehicles in Malaysia For 2008</td>
<td>4</td>
</tr>
<tr>
<td>2.1</td>
<td>Dimension of Customer Satisfaction</td>
<td>14</td>
</tr>
<tr>
<td>2.2</td>
<td>SERQUAL’s Five Dimensions</td>
<td>20</td>
</tr>
<tr>
<td>2.3</td>
<td>The Critical Factors of Customers Perceived Service Quality</td>
<td>21</td>
</tr>
<tr>
<td>2.4</td>
<td>Summary of the Previous Studies and Findings</td>
<td>33</td>
</tr>
<tr>
<td>3.1</td>
<td>Contents of Questionnaire</td>
<td>40</td>
</tr>
<tr>
<td>3.2</td>
<td>Likert scale</td>
<td>40</td>
</tr>
<tr>
<td>4.1</td>
<td>Response number and rate from respondents of sample</td>
<td>48</td>
</tr>
<tr>
<td>4.2</td>
<td>Tests of Normality</td>
<td>49</td>
</tr>
<tr>
<td>4.3</td>
<td>Result of Reliability Analysis</td>
<td>49</td>
</tr>
<tr>
<td>4.4</td>
<td>Gender of respondent</td>
<td>50</td>
</tr>
<tr>
<td>4.5</td>
<td>Age of the respondents</td>
<td>51</td>
</tr>
<tr>
<td>4.6</td>
<td>Ethnicity of respondent</td>
<td>52</td>
</tr>
<tr>
<td>4.7</td>
<td>Monthly Income of respondent</td>
<td>52</td>
</tr>
<tr>
<td>4.8</td>
<td>Education level of respondent</td>
<td>53</td>
</tr>
<tr>
<td>4.9</td>
<td>Multiple Regression Results of Relationship between Customer Satisfaction and Customer Loyalty</td>
<td>54</td>
</tr>
<tr>
<td>4.10</td>
<td>Hierarchical Multiple Regression Results of Relationship between Customer Satisfaction and Customer Loyalty</td>
<td>56</td>
</tr>
</tbody>
</table>
4.11 The Plotting Outcome of Brand Image as a Moderator on the Relationship between Customer Satisfaction and Customer Loyalty 58

5.1 Results of hypotheses 61
**LIST OF FIGURE**

<table>
<thead>
<tr>
<th>FIGURE NO.</th>
<th>TITLE</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>1996-2007 ASEAN five Countries sales statistic</td>
<td>3</td>
</tr>
<tr>
<td>2.1</td>
<td>The Nordic Model</td>
<td>19</td>
</tr>
<tr>
<td>2.2</td>
<td>The three-component Model</td>
<td>19</td>
</tr>
<tr>
<td>2.3</td>
<td>The SERVQUAL Model</td>
<td>20</td>
</tr>
<tr>
<td>2.4</td>
<td>Conceptual Framework of Service Quality Dimensions</td>
<td>22</td>
</tr>
<tr>
<td>2.5</td>
<td>A Practical model for effect of perceived product quality, perceived service quality and perceived price fairness on consumer satisfaction and loyalty</td>
<td>29</td>
</tr>
<tr>
<td>2.6</td>
<td>Theoretical framework on the relationship between repurchasing intention of customer satisfaction and brand loyalty</td>
<td>30</td>
</tr>
<tr>
<td>2.7</td>
<td>A universal model of what drives customer loyalty</td>
<td>31</td>
</tr>
<tr>
<td>2.8</td>
<td>The significant results derived from the conceptual model</td>
<td>32</td>
</tr>
<tr>
<td>3.1</td>
<td>Conceptual Framework</td>
<td>36</td>
</tr>
<tr>
<td>4.1</td>
<td>Variables that influence the Customer Loyalty</td>
<td>55</td>
</tr>
<tr>
<td>4.2</td>
<td>The Plotting Outcome of Brand Image as a Moderator on the Relationship between Customer Satisfaction and Customer Loyalty</td>
<td>59</td>
</tr>
<tr>
<td>5.1</td>
<td>The goods and service continuum</td>
<td>62</td>
</tr>
<tr>
<td>5.2</td>
<td>Revised Conceptual Framework</td>
<td>65</td>
</tr>
</tbody>
</table>
**LIST OF ABBREVIATIONS**

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASEAN</td>
<td>Association of South East Asian Nations</td>
</tr>
<tr>
<td>CAMPI</td>
<td>Chamber of Automotive Manufacturers of the Philippines</td>
</tr>
<tr>
<td>F1</td>
<td>Formula 1</td>
</tr>
<tr>
<td>GAIKINDO</td>
<td>Association of Indonesian Automotive Industries</td>
</tr>
<tr>
<td>LTA</td>
<td>Land Transport Authority, Singapore</td>
</tr>
<tr>
<td>MAA</td>
<td>Malaysian Automotive Association</td>
</tr>
<tr>
<td>SPSS</td>
<td>Statistical Packages for Social Science</td>
</tr>
<tr>
<td>TAIA</td>
<td>The Thai Automotive Industry Association</td>
</tr>
</tbody>
</table>
## LIST OF APPENDICES

<table>
<thead>
<tr>
<th>APPENDICES</th>
<th>TITLE</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Flow Chart of Study</td>
<td>36</td>
</tr>
<tr>
<td>B</td>
<td>Questionnaire</td>
<td>39</td>
</tr>
</tbody>
</table>
CHAPTER I

INTRODUCTION

1.1 Introduction

From 1960s to 1990s, companies had focused on customer loyalty and retention. Subsequently, the focus was moved to producing high quality products at lower cost. However, customers are facing more and more well-known merchandise options from all over the world. Therefore, delivered high quality product to customers is no longer the major concerns of automobile’s companies to satisfy customers’ need in order to retain the customer loyalty.

Hence, this chapter will discuss some of the relevant issues in Malaysia’s automobile market now. Firstly, this chapter will introduce and review the background of ASEAN automobile market and Malaysia’s automobile market in order to find out the problem statement. In this subsequent part, this chapter will include the purpose of study, objective of study, significant of study, scope of study, limitation of study and some relevant terms’ definition.
1.2 Background of Study

Malaysia is a middle-income and developing country. Since 1970s, Malaysia has transformed itself from a producer of raw materials into an emerging multi-sector economy and one of the sector that had been developed as a platform for economy development was automobile sector. Malaysia has developed the automobile sector to help reduce the effects of volatile changes in rubber and palm oil prices on our economy as well as to avoid having a huge trade deficit because Malaysia believes that a strong automobile industry brings employment, technology and status.

In 1983, Perusahaan Otomobil Nasional Berhad, PROTON was established to be the first automobile manufacturer in Malaysia which in conjunction with Mitsubishi to assemble the first national car. When the first national car, Proton Saga was launched commercially in 1985 by the effort of PROTON, the local automobile industry had restructured from an assembly stage to a manufacturing stage.

In 1993, the Malaysia's second automobile manufacturer after PROTON was established which named PERODUA, short form of Perusahaan Otomobil Kedua Berhad and the second national car, Perodua Kancil made its first appearance in 1994. As Malaysia’s second national car, PERODUA was presenting a consistent range of quality-built and intelligently designed vehicles at an affordable price.

Malaysia is a member of the Association of South East Asian Nations (ASEAN) where a regional trading block with combined annual vehicle sales of 487,176 units in 2007. Base on the Figure 1.1, Malaysia consist the second highest of vehicle sale in 2007 among the ASEAN countries. In 2008, Malaysia’s automotive industry even achieved the second-highest ever sales which exceeded the expectations of the country’s industry association. The sale of vehicles rose by 12.5 percent to 548,115 units which exceeding the 510,000 units projected by the Malaysian Automotive Association (MAA).
Basically, the automobile market in Malaysia is dominated by Malaysia's national cars, Proton and Perodua in 1998 which accounted for 90 percent of the vehicles sold annually. The remaining of 10 percent was competing by the others 25 automobile manufacturers (http://www.eautoportal.com). However nowadays, the foreign automobile manufacturers in Malaysia and their total sales of non-national car keep increasing year by year.

In 2009, the national car, Proton and Perodua only accounted 58.7 percent of the vehicles sold annually and the rest of 41.3 percent were contributing by some 38 other automobile manufacturers. Despite the growing influence of international brands, the national car Perodua and Proton still retained the first and second place in the market respectively in 2009. While the non-national car Toyota led the foreign brands with 15.2 percent of sales which following by Honda and Nissan with 7.2 percent and 5.9 percent of sales respectively (refer Table 1.1)
Table 1.1: Top Ten of Passenger cars & Commercial Vehicle’s Sales in Malaysia during 2008 and 2009

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Perodua</td>
<td>166,736</td>
<td>167,393</td>
<td>31.1%</td>
<td>1</td>
<td>Proton</td>
<td>148,031</td>
<td>141,958</td>
<td>27.6%</td>
<td>2</td>
</tr>
<tr>
<td>Proton</td>
<td>148,031</td>
<td>141,958</td>
<td>27.6%</td>
<td>2</td>
<td>Toyota</td>
<td>81,785</td>
<td>101,627</td>
<td>15.2%</td>
<td>3</td>
</tr>
<tr>
<td>Toyota</td>
<td>81,785</td>
<td>101,627</td>
<td>15.2%</td>
<td>3</td>
<td>Honda</td>
<td>38,783</td>
<td>32,477</td>
<td>7.2%</td>
<td>4</td>
</tr>
<tr>
<td>Honda</td>
<td>38,783</td>
<td>32,477</td>
<td>7.2%</td>
<td>4</td>
<td>Nissan</td>
<td>31,493</td>
<td>30,644</td>
<td>5.9%</td>
<td>5</td>
</tr>
<tr>
<td>Nissan</td>
<td>31,493</td>
<td>30,644</td>
<td>5.9%</td>
<td>5</td>
<td>Naza</td>
<td>11,119</td>
<td>12,060</td>
<td>2.1%</td>
<td>6</td>
</tr>
<tr>
<td>Naza</td>
<td>11,119</td>
<td>12,060</td>
<td>2.1%</td>
<td>6</td>
<td>Mitsubishi</td>
<td>6,981</td>
<td>7,318</td>
<td>1.3%</td>
<td>7</td>
</tr>
<tr>
<td>Mitsubishi</td>
<td>6,981</td>
<td>7,318</td>
<td>1.3%</td>
<td>7</td>
<td>Inokom</td>
<td>5,392</td>
<td>6,279</td>
<td>1.0%</td>
<td>8</td>
</tr>
<tr>
<td>Inokom</td>
<td>5,392</td>
<td>6,279</td>
<td>1.0%</td>
<td>8</td>
<td>Isuzu</td>
<td>5,378</td>
<td>5,259</td>
<td>1.0%</td>
<td>9</td>
</tr>
<tr>
<td>Isuzu</td>
<td>5,378</td>
<td>5,259</td>
<td>1.0%</td>
<td>9</td>
<td>Suzuki</td>
<td>4,994</td>
<td>5,024</td>
<td>0.9%</td>
<td>10</td>
</tr>
</tbody>
</table>


In this competitiveness automobile environment, customer satisfaction is very important to retentive in the market. It is important to understand the customers’ need in order to satisfy them with best quality of services and product as well as repositioning Malaysia's automobile industry in the face of new global challenges.

1.3 Statement of Problem

In Malaysia, the domestic automobile market was influence heavily by Malaysian government policy. Compare with others countries, the automobile market in Malaysia have the feature of serious price cutting in National’s car. However, this is not the advantage for national car anymore. Pankaj Kumar, the head of research of OSK Investment Bank state that the national car such as Proton is losing out since the market are hitting well by the non-national car due to their attractive pricing and models (www.atimes.com, 2003).
According to the report of Southeast Asia (2003), Malaysians get rich enough to buy others foreign brands even the tariff of the non-national car is increasing. Hence, the price is not the only criteria when purchasing a car. Nowadays, customers are willing to pay a premium for a higher quality product and do not necessarily view price as a criterion for purchase decision (Devaraj et al., 2001). It is obviously that Malaysia's consumers increasingly want something else.

The car industries should run distinguishingly in the competing environment of automobile market. Customer satisfaction is undoubtedly one of the top strategic issues in this competitiveness industry. According to Kotler (2000), the customer satisfaction is the important key to strengthen the relationship between company and customers or consumers. Subsequently, the focusing on customer satisfaction will moved to producing high quality products and services at lower cost by introducing various quality initiatives.

Furthermore, Lim (2005) also states that repeat customers are essential in automobile company’s business plan. This is a less expensive way of making a sale than wooing a customer from someone else. Customer satisfaction is positively related to loyalty which in turn leads to increased profitability, market share, and growth (Naumann et al., 2001). Hence, Proton had try very hard in commitment to research and development, cost efficiency, and stable, high quality to substitute all the weakness of Gen2 and Wira in order to sustain the loyalty of their customers.

Proton also taken steps to ensure the new vehicle model, Proton Persona is what the customer wants and not what the management wants. Many models clinics and surveys have been conducted by Proton to ensure market acceptance. According to Asian Auto- Bosch Fuel Efficiency Awards 2008 Vehicle Winners, the Proton Persona won the first place of the Family Car category with the reported average fuel consumption of 6.6 L/100 km only (www.8cars.my/asianauto/fea2008.asp). Even though at first impression, the Proton Persona is a worthy successor to the Proton Wira and it is improved in almost all areas compared to the WIRA and even the
However, will the customers still loyal to Proton or they will rather purchase or loyal to the non-national car which is more well-known and have impress brand image?

Many firms allocate substantial resources to measuring and monitoring quality, satisfaction, and loyalty to retain customers and improve performance. However, high levels of customer satisfaction are not sufficient to promote customer loyalty in many industries now. According to Jez Frampton, the Global Chief Executive of Interbrand, brand is a powerful source of continuity and trust from customers. He stated that the essential purpose of brands is to create loyalty and preference over the long-term (www.interbrand.com). Hence, another critical issue in automobile industry is the brand image of the automobile manufacturer. This is important as consistency in the use of the corporate brand helps to maintain the image and integrity of a company.

Therefore, this is important to investigate how customers' perceptions of service quality, product quality and price fairness influence their satisfaction and loyalty from the perspective of Proton’s customers. Besides, there are advantages to comparing brands that are viewed by customers to be relevant in a given consumption perspective, so it is interesting to investigate whether the brand image are playing an important role in affecting the relationship between customer satisfaction and customer loyalty or not.

1.4 Purpose of Study

The purpose of my study is to identify the relationship between the customer satisfaction and customer loyalty from the perspective of Proton’s customers by the
moderating role of brand image on the relationship of customer satisfaction and customer loyalty.

1.5 Objective of Study

To achieve the target, several objectives are outline as follow:

1. To determine the relationship between the customer satisfaction and customer loyalty.
   a. To determine the relationship between the perceived product quality and customer loyalty.
   b. To determine the relationship between the perceived service quality and customer loyalty.
   c. To determine the relationship between the perceived price fairness and customer loyalty.

2. To investigate the moderating effect of brand image on the relationship of customer satisfaction and customer loyalty.

1.6 Significance of Study

Since more and more businesses have shown concern on the customer satisfaction and loyalty, the research on the relationship between customer satisfaction and customer loyalty becomes an instant need to study the response from
the involved parties. Their experience may answer people’s curiosity on why these criterions are needed and important in Malaysia’s automobile markets.

Upon completion of the study, the result of the study can provide a variety of benefits to the automobile company in Malaysia. The customers' perceptions of service quality, product quality, price fairness and brand image that influence their satisfaction and loyalty in the automobile industries are clarified in this study can be very useful because it will enable the automobile manufacturer in Malaysia to be exposed at a higher services and product quality or even brand image in future. It is hopeful that the result of this research may give contribution to further study on this market and provide a guideline for the automobile manufacturer to satisfy customers’ need.

1.7 Scope of the Study

The scope of study is focused on the customers from the national’s automobile corporation, Proton in Johor Bahru area. Therefore, the study will carried out at 3S Platinum Sales and Service Centre (headquarter of Proton Sales and Service Centre in Johor Bahru area) which located at Plentong. The customers at 3S Platinum Sales and Service Centre who had owned the Proton’s automobiles are identified as the respondents of my study to discuss the relationship between customer satisfaction, brand image and customer loyalty.
1.8 Limitation of Study

The study will focus the relationship between the customer satisfaction, brand image and customer loyalty from the perspective of Proton’s customers. Hence, the conclusion of this study will represent the basic of the automobile market only. There are several limitations of this study which are:

- The population of this study will be limited on Proton’s customers in Johor Bahru area only due to the limitation of the time, distance and also cost.
- The sample of the study is the customers from 3S Platinum Sales and Service Centre which is located in Plentong only.
- There are no completed collection data about customers who had purchase the automobile at Proton in Johor Bahru. Hence, the accuracy of the sampling method may be affected.
- The result of study is accurate within the duration of the study only because the planning and development in technology and policy will change by time. Therefore, the result might different in the future.

1.9 Definitions of Terms

For the purpose of this study, the following operational definitions are employed and only valid for this study.
1.9.1 Customers satisfaction

Satisfaction reflects a person’s comparative judgement resulting from a product or services’ perceived performance in relation to his or her expectation (Kotler et al., 2009). In general, customers’ satisfaction is customers’ feeling of pleasure or disappointment which resulted from the product or services’ perceived performance. The customers are dissatisfied or disappointed if the performance fall short of expectations. While if the performance exceeds or fall on the expectations, the customers will highly satisfied or delighted.

1.9.2 Customer loyalty

Customer loyalty is defined as a deeply held commitment to repeat purchases of a preferred product or services consistently in the future, despite situation influences and marketing efforts have potential to cause switching behaviour (Oliver 1997; Consuegra et al., 2007).

1.9.3 Brand Image

The American marketing association defines brand is a name, the terminology, the mark, the symbol or the design, even their combination to distinguish with the competitors. Building upon the understanding, brand image can simply defines as evoked feelings, perceptions, beliefs and attitudes of customers towards a brand (Hsieh, 2004).
1.10 Summary

The purpose of this study is to identify the relationship between customers’ satisfaction, brand image and customers’ loyalty from the perspective of Proton’s customers. The objectives of study mentioned in this chapter will answer at the end of the research.
REFERENCES


Paultan.org Company Websites (2007), available at:


Segment Y Automotive Intelligence Pvt.Ltd (2009), available at:


Wuensch, K.L. (2009), available at:
http://core.ecu.edu/psyc/wuenschk/MV/MultReg/Moderator.doc.

