CUSTOMER RETENTION:
A CASE STUDY OF LPPKN CLINICS

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ABSTRACT

This is a descriptive study intended to identify the main factors which contribute to the customer retention among the “Clinical Clients” of National Population and Family Development Board or “LembagaPendudukdan Pembangunan Keluarga Negara” (LPPKN). The study focused on three variables to check on the level of influence, affect and effect to the process of customer retention. Those variables are service branding, perceived value and service quality. The study was also covered the impact and influence of the demographic element to the service branding, perceived value and service quality in the process of customer retention.

Health service sector is getting very important and competitive. This is highly true among the health clinics which are providing reproductive health services. Understanding and fulfilling the customers’ need will contribute to retaining existing customers and reduce the customer switching intentions. Through this research, we were able get some insights of factors and the ranking of importance of these factors in the process of customer retention. For the purpose of this study I have chosen LPPKN Clinics (Semi-Government) in Klang Valley and Seremban.

The finding shows there is a positive relationship between perceived value and service quality with customer retention. Nevertheless relationship between service branding and customer retention is not supported for the LPPKN clinical setting. Analysis on the demographic factor showed that, it has a significant influence in regard
to service branding, perceived value, service quality and customer retention.

The output of the study will be helpful to managers and marketers of the clinical service to understand the customers’ need, priority and expectations. Furthermore the findings of the research will enable the managers and policy makers to take necessary actions in their marketing and operational planning to stay competitive and maintain a stable income for a long term. This study will also help LPPKN Clinics to improve service quality, increase number of clinical clients, helps the process of customer retention and in long term improve financial performance.
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